

Jacob Werner to be postmaster at New London, Wis., in place of G. H. Putnam. Incumbent's commission expired June 20, 1934.

Gustave V. Anderson to be postmaster at Ogema, Wis., in place of V. A. Nelson. Incumbent's commission expired March 18, 1934.

Edward Stackman to be postmaster at Ontario, Wis., in place of Edward Stackman. Incumbent's commission expired May 2, 1934.

Harry V. Holden to be postmaster at Orfordville, Wis., in place of H. V. Holden. Incumbent's commission expired June 2, 1934.

Harry P. Walker to be postmaster at Plainfield, Wis., in place of E. M. Walker. Incumbent's commission expired January 28, 1934.

Laura H. Culver to be postmaster at Pound, Wis., in place of J. D. Knappmiller. Incumbent's commission expired January 28, 1934.

Tony Efta to be postmaster at Pulaski, Wis., in place of E. E. Pytlak. Incumbent's commission expired January 28, 1934.

Agna Means to be postmaster at Rothschild, Wis., in place of R. G. Drake. Incumbent's commission expired December 16, 1933.

Walter P. Stephan to be postmaster at Sawyer, Wis., in place of A. E. Langemak. Incumbent's commission expired April 2, 1934.

Jeannette L. Andrews to be postmaster at South Wayne, Wis., in place of C. A. Arnot. Incumbent's commission expired May 7, 1934.

Laurence Driscoll to be postmaster at Spencer, Wis., in place of M. E. Johnston. Incumbent's commission expired June 2, 1934.

Ferdinand A. Hirzy to be postmaster at Stevens Point, Wis., in place of A. E. Redfield. Incumbent's commission expired December 19, 1933.

Mabel E. Johnson to be postmaster at Stockholm, Wis., in place of Andrew Bock. Incumbent's commission expired May 2, 1934.

Gaylord Helmick to be postmaster at Three Lakes, Wis., in place of D. E. Lamon. Incumbent's commission expired March 18, 1934.

Nyole E. Creed to be postmaster at Unity, Wis., in place of E. L. Messer. Incumbent's commission expired April 22, 1934.

Robert L. Graves to be postmaster at Viroqua, Wis., in place of C. A. Minshall. Incumbent's commission expired May 13, 1934.

Edmund O. Johnson to be postmaster at Warrens, Wis., in place of E. O. Johnson. Incumbent's commission expired May 2, 1934.

Harold J. Christ to be postmaster at Wausaukee, Wis., in place of G. E. Bogrand. Incumbent's commission expired May 2, 1934.

Christian R. Mau to be postmaster at West Salem, Wis., in place of C. R. Mau. Incumbent's commission expired March 18, 1934.

Frank L. Daniels to be postmaster at Weyerhauser, Wis., in place of C. R. Anderson. Incumbent's commission expired April 2, 1934.

Albert L. Brossard to be postmaster at Winnebago, Wis. Office became Presidential July 1, 1934.

Joseph P. Wheir to be postmaster at Wisconsin Rapids, Wis., in place of A. L. Fontaine. Incumbent's commission expired January 31, 1934.

WYOMING

Albert H. Linford to be postmaster at Afton, Wyo., in place of W. L. Call. Incumbent's commission expired June 17, 1934.

Thomas P. Hill, Jr., to be postmaster at Buffalo, Wyo., in place of F. H. Gurney. Incumbent's commission expired May 29, 1934.

John G. Kelly to be postmaster at Hanna, Wyo., in place of Ivor Christensen. Incumbent's commission expired May 16, 1934.

Robert B. Landfair to be postmaster at Jackson, Wyo., in place of W. E. Lloyd. Incumbent's commission expired December 18, 1933.

Percy D. Sims to be postmaster at Lovell, Wyo., in place of G. R. Bringham. Incumbent's commission expired January 8, 1934.

HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 10, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Almighty God, in our breasts are yearnings for the unknown and aspirations for the divine. Do Thou enable us to realize these in the glow of feelings, in the vision of the intellect, and in the rapture of spirit. Our Heavenly Father, let Thy Kingdom come, in which abound righteousness, wisdom supernal, and the fruits of life everlasting. Herein is the priceless recompense that repels and conquers cruelty and avarice in low and high places. Always hold us, O God, to the vitality of integrity, of honor, and of truth; blessings upon all care-wearied minds and hearts. In Thy holy name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

CONSERVATION OF WILDLIFE

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 44

Resolved, That the special committee to investigate all matters pertaining to the replacement and conservation of wildlife is authorized to continue the investigation begun under authority of House Resolution 237 of the Seventy-third Congress, and for such purposes said committee shall have the same power and authority as that conferred upon it by said House Resolution 237 of the Seventy-third Congress, and shall report to the House as soon as practicable, but not later than January 3, 1937, the results of its investigations, together with its recommendations, for necessary legislation. Any unexpended balance of the total amount authorized for the use of said special committee under House Resolution 263 of the Seventy-third Congress is hereby continued available until said date.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, I reserve the right to object. Is any further money to be expended on this investigation?

Mr. ROBERTSON. Oh, yes.

Mr. BLANTON. There is an unexpended balance on hand?

Mr. ROBERTSON. Yes.

Mr. BLANTON. How much?

Mr. ROBERTSON. Five thousand four hundred dollars.

Mr. BLANTON. And the committee has spent how much of the original authorization?

Mr. ROBERTSON. Two thousand one hundred dollars.

Mr. BLANTON. And there now remains unexpended \$5,400?

Mr. ROBERTSON. Yes.

Mr. BLANTON. Is it expected that the committee will expend all of that \$5,400?

Mr. ROBERTSON. We hope to proceed as economically as possible.

Mr. BLANTON. Is the gentleman going to ask for any additional funds?

Mr. ROBERTSON. Not at this session.

Mr. BLANTON. Does the gentleman expect to in the future?

Mr. ROBERTSON. I would not want to bind myself on that.

Mr. BLANTON. We all have received the voluminous reports that have been printed and sent us recently. Before this committee began its operation we used to have plenty of wild ducks all over the United States. The Potomac River used to be full of them. Over here in the Chesapeake Bay you could find them everywhere. They were flying everywhere, even way down in the western Texas district of my friend Mr. THOMASON, in the El Paso country; all those tanks and lakes were full of wild ducks.

Mr. ROBERTSON. The gentleman does not mean "lame ducks"?

Mr. BLANTON. And now you can hardly find any wild ducks anywhere. What has the committee done with them?

Mr. ROBERTSON. We hope to assist the Federal agencies and the States to work out a program by which we can preserve that natural resource. We have been killing them off at the rate of 12,000,000 a year, and they have been reproducing at the rate of 10,000,000 a year. The gentleman is an expert in figures, and he can see what the ultimate result will be.

Mr. BLANTON. Last winter, after the hunting season was over, I saw numerous flocks of wild ducks going back up north, and I have not seen any since.

Mr. ROBERTSON. One reason the gentleman has not seen them in this section is that we have not had the normal food supply, and they had to go south.

Mr. SNELL. Mr. Speaker, will the gentleman from Virginia yield?

Mr. ROBERTSON. Yes.

Mr. SNELL. I think that committee has done some good work. There are very few of our investigating committees in which the people of the country are so deeply interested as they are in this. They are much interested in the work being done by the committee. The committee has been very careful about its expenditures so far. As far as I am concerned, and as far as this side of the House is concerned, we are entirely willing to allow the gentleman from Virginia to continue with that work. [Applause.]

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was agreed to; and a motion to consider the vote by which the resolution was agreed to was laid on the table.

INDEPENDENT OFFICES APPROPRIATION BILL, 1936

Mr. WOODRUM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 3410) making appropriations for the Executive office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1936, and for other purposes.

The SPEAKER. The question is on the motion of the gentleman from Virginia that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the independent offices appropriation bill.

Mr. WOODRUM. Mr. Speaker, pending that motion, I ask unanimous consent that general debate continue today until 4 o'clock, the time to be controlled by and equally divided between the gentleman from Massachusetts [Mr. WIGGLESWORTH] and myself, at the end of which time the first section of the bill shall be read and the Committee rise.

The SPEAKER. The gentleman from Virginia asks unanimous consent that general debate continue until 4 o'clock or thereabouts today, the time to be equally divided between the gentleman from Massachusetts [Mr. WIGGLESWORTH] and himself. Is there objection to the request of the gentleman from Virginia? The Chair hears none. The question is on the motion of the gentleman from Virginia that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the independent offices appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the fur-

ther consideration of the independent offices appropriation bill, with Mr. PARSONS in the chair.

The Clerk read the title of the bill.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 30 minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. LEHLBACH. Mr. Chairman, I should like to take a little time to discuss the question of the consideration and disposition of private bills by the House of Representatives. This has been a troublesome question for many years. In every session of Congress we have very many hundred private bills introduced. Of those, several hundred find their way to the Private Calendar. The original rule under which these private bills were considered was that on Friday of every week it was in order to move to go into Committee of the Whole House for the consideration of private bills. There are various kinds of private bills, such as arise from claims by individuals against the Government, and some that are based on claims arising from circumstances in war time; and there are also private bills restoring citizenship or removing a record of desertion of a veteran, and to provide for honorable discharge in the record.

The original rule provided that on the second and fourth Fridays of the month certain bills of a private nature should have preference, and on the first and third Fridays bills of a different character would have the preference. This rule was found to be absolutely unworkable. The procedure in the Committee of the Whole House is the same as in Committee of the Whole House on the state of the Union. General debate may be had, the bill read for amendment, amendments may be offered to every section, and those amendments debated. The result was that when the first bill was called in Committee of the Whole House, if there was a disposition to discuss the bill or to question its merits, that bill would consume the afternoon and no progress in the consideration of these many hundreds of claims was made. So the practice developed that, by unanimous consent, bills on the Private Calendar were called up and considered, if unobjected to. Any single objection would prevent further consideration of a bill at that time. This placed the fate of claims, some of them unquestionably just and meritorious, at the mercy of the whim of any single Member; and by reason of circumstances which brought about captious objections, bills were refused consideration that were entitled to consideration, and justice was denied those in whose behalf those bills were introduced.

Two or three years ago it was attempted to establish, by a change of the rule, a deferred list, whereby on certain days those bills which heretofore had been objected to would be considered and a certain number of objections would be required, rather than one objection. That rule was found to be unworkable also, and we have still been operating under the unanimous-consent procedure with respect to private bills.

In the last 20 years, if my recollection serves me correctly, we went into Committee of the Whole House for consideration of a private bill, under the rules that obtain in that Committee, just once, and that was for a very specific reason. There is no use going into the details at this time.

Now, it is admitted that these many hundreds of claims by American citizens against the Government for injuries or damages or loss which may have occurred, and for which the departments concerned admit that the Government in law and in equity would be held liable if it were a private individual, ought to be given an opportunity for consideration in the course of the life of a Congress.

The Committee on Rules in the last Congress authorized a subcommittee, headed by the distinguished gentleman from New York [Mr. O'CONNOR] who is now Chairman of the Committee on Rules, to consider this matter. By reason of the press of other business, this committee has not had a formal meeting, but there is before the Committee on Rules an amendment to the private-bill rule which I desire to discuss at the present time.

The real practice is that each side of the House appoints one or two men whose duty it is to consider the merits of all

private bills, to get all the information obtainable from the records of the committee reporting the bill, and from the administrative departments of the Government concerned in the subject matter of the bill, to discuss the bill, to ask questions about it, and if it lacks merit, to object to the bill. There are certain other Members who, as a matter of duty as a Member of the House, voluntarily perform that same service. So we have probably a half dozen men who interest themselves in the Private Calendar and give it this special consideration in order to protect the interests of the Government.

The proposition that is embodied in Resolution No. 41, which is a substitute for the present private-bills rule, which is paragraph 6 of rule XXIV of the House, in the first paragraph reads as follows:

Reports of bills of a private nature by the standing committees of the House shall contain a statement by the administrative department or office concerned with the subject matter therein.

Frequently when a department has reported adversely and opposed favorable consideration of a claim for some action of that department, that fact has not been clearly set forth in the report of the committee, and unless the activities of these men who make it their business to scrutinize the private bills, bring it out, the House is not aware of the fact that that department of the Government charged with the conduct which brought about the claim, is opposed to the bill.

Should the recommendation of such department or office be adverse to a favorable report, the report shall contain the specific reasons causing the committee to report the bill, notwithstanding such adverse recommendations by the committee or office.

In other words, each written report accompanying the bill must contain the views and statements of the administrative department of the Government that is concerned with the subject matter of the bill, and if that is opposed to the favorable consideration of the bill, the report must state concisely and fully the reasons that actuated the committee in making the report, the opposition of the Government department notwithstanding.

Then this amendment proposes to give official recognition to the Membership that consider private bills in the following manner:

There shall be created an advisory board on private bills consisting of six Members of the House.

Three shall be chosen from the political party having the largest numerical representation in the House and three from the political party having the next largest numerical representation.

I might say there that the question of partisan politics has never, to my knowledge, entered into the consideration of any private bill in the last 20 years.

The members of the board shall be elected in the same manner as members of the standing committees of the House are elected.

The members of this board shall perform the functions which the objectors have been performing on the floor of the House and in their offices preparatory to their functions on the floor of the House.

The board shall review all bills on the Private Calendar, and, after consideration shall recommend for passage such bills as in their judgment merit such action. The board shall from time to time include all bills receiving such favorable recommendation in an omnibus bill. Such omnibus bill shall be reported by the chairman or any member of such board on the second and fourth Mondays of each month and it shall be referred to the Private Calendar.

In other words, if, as heretofore, a bill has been called up and discussion has been had by the Member introducing the bill, the chairman of such board or committee reporting it, and these members who would naturally constitute the board of advisers, the bill either receives or does not receive consideration.

This resolution proposes that bills go through substantially the same process, and, if approved, shall be grouped together in an omnibus bill for the further action of the House.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. BLANTON. During the course of a Congress there are several thousand of these private bills. The gentleman from New Jersey will remember, I am sure, that in a number of Congresses there was reported favorably and placed on the calendar a bill which is over 100 years old and which sought to pay \$104,000,000 to the Sevier heirs of the first Governor of Tennessee. That bill was favorably reported unanimously by the committee during several Congresses. In order to stop this bill one of these pernicious objectors to whom the gentleman refers—

Mr. LEHLBACH. I did not say they were pernicious; I said they performed a useful and valuable service.

Mr. BLANTON. One of these objectors found stored away in the basement of one of the departments of the Government a statement in the handwriting of Governor Sevier, of Tennessee, over his own signature, stating that the Government of the United States had paid him every dollar that was due him and that he gave a full release to the Government of the United States. Now, if it had not been for these pernicious objectors, that \$104,000,000 long ago would have been taken out of the Treasury.

Let me make this further observation and I am done: Practically every Member of Congress from time to time has a private bill or numerous private bills. I am sure the gentleman will remember the case of one Member who introduced 426 private bills on 1 day and one of his bills involved a proposition which, if passed, would have cost the Treasury \$5,000,000,000. All Members, of course, are interested in the passage of their own private bills. Were there to be such a board, half the members of it to be selected by each of the two major parties in Congress, a very liberal board might be selected, one which probably would put into this omnibus bill most of the private bills that were introduced. There is this danger in such a procedure.

Mr. LEHLBACH. I shall be glad to answer the gentleman from Texas. In the first place, I did not characterize these objectors as pernicious. I said repeatedly that they performed a useful and salutary service; and I want to endorse the service they have rendered by giving them official status.

As to whether or not the Membership would elect a board of six who would logroll for their own claims and the claims of the other Members who elected them to the board, for the purpose of getting money out of the Treasury unjustly and not rightfully, and so misuse their position as members of this board, and as advisers, I may say to the gentleman from Texas that I do not believe he can find six men in the House who would lend themselves to such pernicious practice.

[Applause.]

Mr. BLANTON. If the gentleman will yield to me further, the duty these objectors perform is the same duty that rests upon the shoulders of every Member of this Congress. A like duty and responsibility rests on all the Members.

The gentleman from New Jersey was here years ago, when during one night garden-seed votes were swapped for what was known as the "million-dollar mountain-top votes." Does not the gentleman remember that?

Mr. LEHLBACH. I have no knowledge of it, did not at the time, and have not since. I do not indulge in that kind of politics.

Mr. BLANTON. I remember it, when the garden-seed votes were swapped for the mountain-top votes.

Mr. LEHLBACH. I do not remember anything of the kind. No such incident had come to my attention or knowledge, either at that time or subsequently.

Now, if this resolution should be adopted these six objectors will be effective. They can stop a bill from being approved and included in the omnibus bill; the formation of this board will not stop the objectors from still continuing to protect the Treasury against unjust claims. It will give them more power. On the other hand, however, it will prevent a Member whose bill has been objected to early on a Friday or Saturday afternoon from, out of spite, objecting to every subsequent bill that is called up, a thing that has been done repeatedly on the floor of the House.

Mr. BLANTON. Will the gentleman yield for one further question?

Mr. LEHLBACH. Yes.

Mr. BLANTON. Suppose there were to be approved by this board an omnibus bill that had in it a bill from almost every Member of the House.

Does the gentleman think that there is any power on this House floor that could stop the passage of that omnibus bill?

Mr. LEHLBACH. Certainly. They could strike out any particular claim in the omnibus bill.

Mr. BLANTON. That would bring up that old slogan, "United we stand, and divided we fall", and they would all stand together.

Mr. LEHLBACH. In any event, the House will act on these private bills; and no single Member, who may not have read the bill or who may have no knowledge whatever of its contents, could stop consideration of the bill, either because his own bill was stopped or because he did not like the man who introduced the bill to which he is objecting. We want to stop that kind of injustice to people who have meritorious claims and safeguard at the same time all private claims in such manner that only those of undoubted merit may be given consideration.

Mr. TRUAX. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Ohio.

Mr. TRUAX. May I say to the gentleman that I find when Members do take the time to read these bills more of them are stopped and would be stopped undoubtedly than have been stopped, and not for reasons of spite. I find many bills were passed during the last session that were meritorious and should have been passed; but on the other hand we have a lot of bills, for instance, that were to refund income taxes that had outrun the statute of limitations, amounting to hundreds of thousands of dollars, and it would have bankrupted the Federal Treasury if such policy were long pursued. For instance, on June 15, 11 bills were stopped in this House that had previously passed the Senate, amounting to \$476,000. Practically all of them were tax refunds that were outlawed and not justified. Does the gentleman think this would benefit and help that situation?

Mr. LEHLBACH. Not at all. Those Senate bills may be stopped, under this rule, in precisely the same manner now as then.

Such omnibus bills shall be reported by the chairman or any members of such board on the second and fourth Mondays of each month and be referred to the Private Calendar.

On the Saturday following the introduction of an omnibus bill, or on any Saturday thereafter, it shall be in order for any member of the board to move that the House shall proceed to the consideration of such bill in the Committee of the Whole House. Upon the adoption of the motion the bill shall be read for amendment, and at the conclusion of the reading the bill shall be open to amendment in all its parts. No amendment shall be in order except to strike out paragraphs, to reduce amounts carried in the bill, or to provide limitations.

In other words, a rejected private bill may not be introduced by way of amendment into this omnibus bill, nor can you widen or increase the benefits sought in any bill by increasing its terms, nor can you offer pro forma amendments for the sake of wasting time and retarding consideration of the bill.

Mr. HESS. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Ohio.

Mr. HESS. What becomes of the bills that are rejected by this committee?

Mr. LEHLBACH. They are in exactly the same position as the private bills at the present time.

Mr. HESS. They cannot be considered any more?

Mr. LEHLBACH. Oh, yes; they may be considered just as private bills are considered now, but these omnibus bills are grouped together and consist of those bills the merits of which cannot be questioned, bills that are approved by the various departments of the Government, that are approved by the committee, and approved by a special board of advisers. Then they will have to run the gauntlet of the Committee of the Whole House, and all of the other bills are considered just as they are at the present time and have been in the past.

This is to give a chance to all bills to be given consideration by the committee, then by these advisers who are the same fellows that do this job when we consider them on the floor under unanimous consent. Those that pass are freed from objection on the part of anyone, and then considered on their merits by the House in the form of an omnibus bill.

Upon the passage of any such omnibus bill, said bill shall be resolved into the several bills of which it is composed, and such original bills, with any amendments, shall be engrossed and proceedings thereon had as if said bills had been passed in the House severally.

Private bills not included in an omnibus bill shall remain on the Private Calendar subject to consideration in accordance with the general rules of the House.

All this does is to take the Members who give special consideration to private bills and give them an official status and allow them to consider separately and all together the merits of those bills that have been reported by the committees having jurisdiction and which presumably have the support of the departments of the Government concerned with the various bills. These bills, which up to that stage have had no objection whatsoever from any source, are grouped in an omnibus bill and are then considered one by one as sections of a bill and passed on by the House. Various parts may be stricken out, the amounts reduced, limitations may be imposed, and when that is done then the Committee rises after having passed the omnibus bill. These bills are then separated into their original bills and proceed in the Senate and elsewhere just as if they had been passed singly. This is to enable the meritorious bills to be grouped together and given opportunity for consideration in the House free from captious objections, to which these bills are inevitably subjected when considered under unanimous consent.

Mr. HOPE. Will the gentleman yield?

Mr. LEHLBACH. I yield to the gentleman from Kansas.

Mr. HOPE. Has the gentleman given any consideration to setting up some tribunal outside of Congress to consider these minor private bills? It seems to me it is too bad that Congress must take up its time to consider so many of these private bills, which in many cases involve less than \$100, and yet as far as the subject matter is concerned are very involved and, if given proper consideration, would take a great deal of time?

Mr. LEHLBACH. Consideration has been given to that question for a number of years and particularly to questions involving torts where the damages are of a very limited amount. The Court of Claims has considered it, and the gentleman from Massachusetts [Mr. UNDERHILL] several Congresses ago introduced a bill with respect to the consideration of torts by the Court of Claims or some person or board to which the Court of Claims may refer these cases, in order to examine and report back. The House, however, has been unwilling to divest itself of authority and control in reference to paying out money that would result from the approval of these claims. I think the question has been considered also in the Senate. I do think the solution suggested by the gentleman from Kansas is the best solution; but pending that, and by reason of the fact it seems impossible to secure such a solution, this amendment to the Private Calendar rule has been introduced in order that equity and justice may be done citizens concerning whose claims there is no reasonable doubt and no question whatsoever; but merely because of the cumbersome nature of our procedure they are denied simple justice.

Mr. BLANTON. Will the gentleman from New Jersey again yield to me?

Mr. LEHLBACH. I will.

Mr. BLANTON. If you would permit only bills to go into this omnibus bill that did not involve over \$500, I would go along with the gentleman without hesitation; but the gentleman will recall that in the last session there came here on the Private Calendar, with a unanimous committee report, a bill that was known as the "Minnesota fire bill" which would have caused \$12,000,000 to be paid out of the Treasury, and out of that amount a national lobbyist would

have received \$1,250,000 as a fee. We defeated that bill here in the House by a tremendous majority. Suppose a bill like that were to be put into the omnibus bill, how much time would we have for consideration of such a measure?

Mr. LEHLBACH. You would have all the time that offering amendments or motions to strike out, and so forth, would allow you in Committee.

Mr. BLANTON. Which would be about 5 minutes, and how could we discuss a proposition of that kind logically in 5 minutes?

Mr. LEHLBACH. How many times in Committee of the Whole House or in Committee of the Whole House on the state of the Union has the gentleman seen 45 minutes given to the discussion of an amendment by unanimous consent, notwithstanding the fact that the rule is 5 minutes on the side?

Mr. BLANTON. But that is according to the mood of the House, and the House has just as many different moods as 435 individuals.

Mr. LEHLBACH. Whatever the House seeks to do is the will of the House.

Mr. BLANTON. Certainly.

Mr. LEHLBACH. Does the gentleman advocate preventing the House from exercising its will because he does not approve?

Mr. BLANTON. No; I want the House to exercise its will, but I have seen 100 bills passed here in 30 minutes.

Mr. LEHLBACH. Well, there was no objection to them.

Mr. BLANTON. It is true there was no objection to them, and that is why they passed. It is hard to improve upon our present rules.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. HANCOCK of New York. Mr. Chairman, will the gentleman yield?

Mr. LEHLBACH. I yield.

Mr. HANCOCK of New York. This thought occurs to me: A great many bills on the Private Calendar come from the War Department involving cases of veterans as a result of decisions of courts martial, which perhaps have been too severe. There is no appeal from the decision of a court martial. Has the gentleman given any thought to the advisability of setting up a board of review in the War Department which might act as a court of appeals in such cases?

Mr. LEHLBACH. That question is not germane to the consideration of private bills in the House.

Mr. HANCOCK of New York. It would take a great many bills off the Private Calendar if the War Department had power to alter or review decisions of courts martial which have been unduly severe.

Mr. LEHLBACH. Has not the President that power?

Mr. HANCOCK of New York. Not after the decision is once promulgated. I think the decision is then final. We have a great many bills of that kind on the Private Calendar.

Mr. LEHLBACH. I know of instances where the President has modified the penalties imposed by a court martial.

Mr. HANCOCK of New York. I think that is before the decision is actually promulgated.

Mr. LEHLBACH. At least, the decision has been announced in the papers and subsequently the President has set it aside or modified it.

Mr. HANCOCK of New York. My information is that after the decision is once approved, it is final.

Mr. LEHLBACH. If it is approved by the President, yes. [Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. O'CONNOR].

Mr. O'CONNOR. Mr. Chairman, the gentleman from New Jersey [Mr. LEHLBACH], who, I believe, is one of the ablest parliamentarians in the House, has made a real contribution to a subject which is of vital interest to every Member of this House.

Last June the distinguished Chairman of the Rules Committee and now our beloved majority leader [Mr. BANKHEAD] appointed a subcommittee, of which I am chairman, and on which the gentleman from Indiana [Mr. GREENWOOD], the gentleman from Virginia [Mr. SMITH], the gentleman from Michigan [Mr. MAPES], and the gentleman from New Jersey [Mr. LEHLBACH] also were appointed, to study the rules of the House in an attempt to devise some means of improving the handling of the Private Calendar. This subject is very much like the weather. It has been talked about for 20 years at least, and nothing much done about it. About 2 years ago, however, we tried to do something about it, and a rule was brought in and adopted, drafted by the distinguished member of the Rules Committee, the gentleman from Indiana [Mr. GREENWOOD]. It was found out, as the gentleman from New Jersey [Mr. LEHLBACH] has said, that this rule was not workable.

Complaints about the handling of the Private Calendar have been almost universal. Last June, after I was appointed chairman, I proceeded to study the matter. I wrote at least twice to every sitting Member of the Congress to get his views. Several of them sent proposed bills and others suggestions as to how the rule might be improved. The gentleman from New Jersey sent his proposal, to which he has just referred. We then communicated with every parliamentary body in the world which has any system similar to ours. We had the Congressional Library make thorough research of how the parliamentary bodies throughout the world handle private bills or similar measures.

We have gathered together all of these ideas, including suggestions from the Court of Claims and from ex-Members of Congress who have given the matter a great deal of study. We have not held any meetings of the subcommittee, but we propose to do so in the very near future. During the last month some of us have been busy about other matters and have not been able to give the subject as much attention as we would have liked.

The proposal of the gentleman from New Jersey [Mr. LEHLBACH] is one of many which we shall shortly consider. For the moment I am not prepared to say whether I would endorse it or not. The first paragraph at least seems to be an improvement over the present method of handling these private bills, in that a mere disapproval by the department will not furnish an objection to the bill itself, if the committee can give a cogent reason why the bill should pass, the opinion of the department to the contrary notwithstanding.

Now, working out a new rule for consideration of the Private Calendar is not an easy subject to handle. Everybody says something should be done about it. That is a premise with which we all agree. How to do it is the problem.

My purpose in taking the floor at this time is to request Members, especially the new Members, with whom I may not have communicated, to give the matter serious and deliberate thought.

Some suggestions have been made here about the amount involved in the bill. Now, frankly, it has never impressed me that a bill should be objected to merely because of the amount involved. If the bill is meritorious and one of our citizens is entitled to relief from his own Government, he should receive it whether it is \$1 or \$1,000,000.

I know many of our citizens who have been haunting the corridors of this building and of the House Office Buildings for nearly a generation trying to get what they felt was justice, and what many Members also felt was justice, and what sometimes the entire Claims Committee felt was justice. It, therefore, always, year after year, seemed a great injustice to them to have one or two Members object to the bill merely because they thought the amount was too large, or for some other reason, arbitrary or otherwise. It has never seemed to me as fair to take a technical or arbitrary position from the viewpoint of a Government agency to the injury of our citizens.

It makes no difference in my view as to what is the amount involved, whether \$1,000,000 or \$10,000,000. If the claimant corporation or individual has had an injustice done to it by the Government, the amount should be paid to that person or corporation, no matter what kind of a person or corporation is involved. Incidentally, objections are often made to certain bills, as a class.

If I recall correctly, in the last session of Congress a group of bills which were in the interest of insurance companies, and which sought to get back the money held by the Government to which the Government was not in fairness entitled, were all objected to solely because "horrible" insurance companies would get the money. I do not believe that is the considerate, deliberate attitude of most of the Members here. I, therefore, ask the Members to keep supplying our committee with the suggestions they may have as to remedying the rule with reference to the consideration of private bills, and in doing so you will be doing a real service to the House itself and to our people throughout the Nation.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WOODRUM. Mr. Chairman, I yield the gentleman 2 minutes more.

Mr. REILLY. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. REILLY. Has the gentleman made any computation or has the committee to which he refers made any computation as to how much money goes out of the Treasury because of the Private Calendar every session?

Mr. O'CONNOR. No; we have not gone into that phase of it.

Mr. REILLY. I think the committee ought to do so.

Mr. O'CONNOR. I don't know whether that is a matter of really vital concern. Of course, the Treasury must be safeguarded, but I do not believe that an objection to a bill merely because it takes money out of the Treasury is a valid objection.

Mr. REILLY. Does not the gentleman think there ought to be some provision in the rule where a bill calling for \$10,000,000 or \$15,000,000 or \$5,000,000 should receive more consideration than a bill calling for a few thousand dollars?

Mr. O'CONNOR. Oh, yes; I agree to that, surely, but many of those bills are merely authorizations to permit the claimant to go to the Court of Claims and there prove his right to the money. Even then he does not get the money until it is appropriated by the Committee on Appropriations. That appropriation is sometimes delayed, and if it should be too severe a strain on the Treasury it would be delayed further.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. BLANTON. I agree with the gentleman from New York that if the claim is just, it makes no difference whether it is \$1 or \$10,000,000, but the gentleman from New York is a member of one of the influential leading law firms of the Nation. When his firm has a suit in court involving \$10,000,000, it takes a week or more to try that suit. They do not try it on affidavits. His firm would not allow a judge to permit an affidavit to be read in evidence in that suit. They require legal testimony, and they try it according to law. On the other hand, when you try a \$10,000,000 case against the Government before a committee of Congress, it is tried on affidavits.

Mr. O'CONNOR. I agree with the gentleman. Of course the Claims Committee or whatever committee handles the matter should go into it thoroughly and be convinced of the merits and justice of the claim.

Mr. TRUAX. Mr. Chairman, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. TRUAX. The gentleman from New York mentioned insurance companies. Is it not a fact that he referred rather to bonding companies?

Mr. O'CONNOR. I think I should have said surety companies.

Mr. TRUAX. Bonding and surety companies, who gave bonds that were forfeited. Then they come into this Congress and want the Treasury to refund the money that they had to pay by reason of their own business.

Mr. O'CONNOR. But many of those cases are meritorious and no harm has been done to the Government, and the money should in fairness be refunded.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. WOODRUM. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, the debate thus far on this bill has covered a wide variety of subjects. All of it has been interesting and I am sure all of it will constitute a real contribution to the intellectual and literary thought of the Nation. But I believe we ought to come around now to at least some discussion and consideration of the matter really before the House. Our friends on the Republican side yesterday had quite a good deal of fun, perhaps—I hope they enjoyed it—in indulging in some pot-shotting at the Democrats, the President, and the recovery program and what not. I was moved to a feeling of a great deal of sympathy and commiseration for those good gentlemen. Personally we love them all. I sincerely sympathize with these boys on the left. They are very few in number. I sympathize with them because I have been here in this House when we had almost as few on this side of the aisle. Some of us know what it is to have that forlorn, dejected feeling, but I can assure you brethren that you shall be protected in your constitutional rights to object and criticize. Beyond that we are not going to let you do very much, because I anticipate, certainly on matters of major policies, that the Democrats in this House, following the plain mandate of the overwhelming majority of the people of the country, thousands of whom are members of your party, are going to follow the leadership of the President, especially on matters pertaining to the Budget. I sympathize with you gentlemen because you are in a very delicate position in another regard.

We will be hearing a lot about recovery from now on, but there are going to be two kinds of recovery that we have in mind. One is economic recovery, which is the object of the President and the administration, and the other is political recovery in which you gentlemen are, of course, very properly interested. The irony of it, and that which places you gentlemen in a very hot spot, is that in order to have your political recovery promoted, it is necessary to retard the economic recovery. I do not mean for an instant that there is any gentleman over there who would deliberately retard economic recovery for political advantage, but I say that it puts a fellow in a hot spot, does it not, when he knows perfectly well that if the great objective of the President and his party succeeds, as it is succeeding and is going to succeed, thereby his chances for political recovery are, by the same ratio, getting still further down in the political scale?

But I believe, Mr. Chairman, that the people of the country whom we represent are more interested today in economic recovery than they are in political recovery, and I believe they are going to view this Congress individually and collectively, and are going to measure and appraise us on the basis of what we appear to be sincerely trying to do to bring about that hoped-for objective.

The independent offices appropriation bill, I am very happy to say, comes to you today with very much better hope of smooth sailing and easy and quick passage than it did last year. There is very little legislation in the bill. I think there is practically none of any controversial nature.

The subcommittee of the Committee on Appropriations, which considered the independent offices appropriation bill, convened on December 4 and conducted hearings which we believe have been thorough and exhaustive. Those hearings are available for your information.

At this point I want to pay my compliments and my respects, and to express my appreciation to the minority members of the subcommittee, the gentleman from Kansas,

Mr. LAMBERTSON, and the distinguished, able, and industrious gentleman from Massachusetts [Mr. WIGGLESWORTH]. [Applause.]

We do not have any politics in this subcommittee. It may break out a little here, but we work together smoothly and conscientiously, and we have tried to bring you the right kind of a bill.

What ought to be the functions of an appropriations committee and the House of Representatives in considering appropriation bills? I conceive it to be twofold. First, to protect the Treasury of the United States against unwarranted expenditures. Undoubtedly that is the prime function; but I think of almost equal, if not equal importance, is the duty of a legislative body to adequately provide for needed and justifiable public expenditures. With that twofold and kindred motive in mind, we have approached this subject, and this bill is the result of our deliberations.

The bill differs very slightly from the Budget estimates which were sent to Congress; and, for the benefit of some of our colleagues who have so recently joined us, may I say that the method of appropriating funds for the establishments of the Government, since the adoption of the budgetary system, is for very careful hearings to be held by the Bureau of the Budget, which is an advisory agency of the President, and as a result of those hearings the President makes his recommendations to Congress for appropriations. So the Budget is the President's recommendation to Congress. Of course the Budget and its findings are not binding upon this body. We may decrease or increase appropriations, or we may totally refuse to appropriate, or we may add items that were not considered by the Budget. However, it has been proven to us by experience under administrations of both parties that the safe way to handle appropriations is to follow as largely as possible the conclusions of the Bureau of the Budget, except where they do not appear to be based upon sound conclusions. Therefore, the independent offices bill today is, with only one or two exceptions, following the recommendation of the Bureau of the Budget.

The bill provides appropriations for some thirty-odd independent establishments of the Government, meaning by that, those agencies of the Government that are not under Cabinet officers, excluding, of course, the various new, independent corporations, many of which we do not have to appropriate for, because they are self-financing institutions.

Of course, by far, the major item in the bill is that providing for the vast appropriations for the Veterans' Administration. The total amount in the bill this year is \$776,916,706. It is \$158,671,904 above the actual appropriations for comparable activities for 1935, but when you take into account the fact that the 1935 act includes specific amounts on the basis of 90-percent salaries, while the present bill provides for 100-percent salaries, the actual net increase in the bill over the current appropriations for comparable items is but \$135,527,544, of which \$117,897,904 is accounted for in the veterans' appropriation item, and \$98,000,000 of the \$117,000,000 is provided for because of what is known as "Public, No. 141", which was the action of the legislative body in overriding the President's veto.

In many of the departments in this bill there have been actual reductions in forces and reductions in administrative expense. Now, we are hearing a great deal, and we shall hear much more, about the growth of bureaus and departments and the large accretion in public personnel, but very often that observation is predicated upon our view of these temporary, emergency organizations; but when you come to the regular Government establishments, for which the regular, ordinary Budget applies, you will find upon careful scrutiny and examination that it is being held well within the Budget requirements and well within the sound credit of the Government.

So we feel that we can commend to your kindly consideration today this bill. As I have stated, it covers some thirty-odd Government departments. I am not going to take your time, and it would be impossible to do so, to stand here and give you a careful analysis of those various organiza-

tions and the necessity for their appropriations; but in every instance their representatives appeared before our committee and gave us what we thought were justifications for the appropriations granted; and those hearings and those conclusions are available for your consideration.

There are several of these institutions, however, that I think I should comment upon; and I shall be glad to respond, if I can, to any inquiries that you may care to make about others.

On yesterday a number of times Members referred to the Home Loan Bank Board. There were Members who praised it and complimented it and others who condemned it. I think one or two things ought to be emphasized here in order that the record may be straight and that our minds may be clear.

First, permit me to recall to you the fact that the Home Loan Bank Board, as constituted by Congress, and the Home Owners' Loan Corporation, were charged by us with the duty of making legal loans to people and not granting relief. So it is not fair to get up on the floor of the House and move our colleagues to tears by telling them about some poor widow who lost her home because the Home Owners' Loan Corporation did not make her a loan, when you and I told them that they could not make her a loan unless she had certain security based upon a present prospect of repayment of the loan. So let us bear in mind the fact that they are charged by us with the duty of making legal loans with a fair prospect of repayment. In making those loans they must require legal security. They must require sound and legal titles. They do not have as Government agencies and institutions that latitude that private lending institutions might have. I say that without any particular desire to defend anybody or anything, because I have heard complaints, just as many of you have.

The next thing to which I want to call your attention is that while this bill carries \$264,043 for the Home Loan Bank Board—now, not the Home Owners' Loan Corporation, the Home Loan Bank Board does not make any loans, but the Home Owners' Loan Corporation does make the loans—this carries an appropriation of \$264,043 for the Home Loan Bank Board, but it is merely a reappropriation of funds that this Board has collected in fees and covered into the ordinary receipts of the Treasury. The Home Loan Bank Board and the Home Owners' Loan Corporation are self-paying institutions.

Mr. BLANTON. Will the gentleman yield right at this point?

Mr. WOODRUM. Yes.

Mr. BLANTON. The \$264,000 they collected in fees was collected from the Virginia constituents of the gentleman from Roanoke and from my constituents down in Texas. It is public money. This home-loan institution may have satisfied the constituents of the gentleman from Virginia, but they have not satisfied mine. I may say to the gentleman from Virginia this further, that if he will get the names of the ones who control this Board he will see that they are identically the same persons who control the home-loan bank; they are one and identically the same persons. There is no difference between them at all. This is true, is it not?

Mr. WOODRUM. It is substantially true, I think.

Mr. BLANTON. The fees are collected from the public.

Mr. WOODRUM. That is quite true. The gentleman called attention to complaints made by those who were not able to secure loans, but he overlooks the fact that thousands and thousands of American citizens have had their homes saved because of this agency.

Mr. BLANTON. And thousands of them have had mortgages on their homes foreclosed and they are now homeless.

Mr. WOODRUM. Oh, yes.

Mr. FITZPATRICK. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. FITZPATRICK. Attention should also be called to the fact that even though fees were collected they represent only about 70 percent of what the very same people would

have had to pay to obtain similar loans from private agencies.

Mr. WOODRUM. Yes.

Mr. SWEENEY. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. SWEENEY. Will not the gentleman from Virginia tell us something about the wholesale division of the Home Owners' Loan Corporation which has aided the great banks and individuals whose property was not in danger? There are thousands of such cases throughout the country.

Mr. WOODRUM. I prefaced my remarks, I may say to the gentleman, by stating that I was not here to defend these institutions for doing what they should not have done. The Home Owners' Loan Corporation and the home-loan bank stand on their records. They may have done some things for which they are justly to be criticized, but I want the record kept straight that they are supposed to make loans and not to hand out charity.

Mr. SWEENEY. That is true; I agree with that.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. MARTIN of Massachusetts. I am sure the gentleman does not want to leave the impression that the criticism was directed entirely and solely to illegal loans. The criticism was directed toward inefficiency and delay in making loans.

Mr. WOODRUM. Another agency appropriated for in this bill to which I desire to direct attention is the Federal Communications Commission. The Communications Act of 1934 abolished the Federal Radio Commission, which, as you know, had jurisdiction over radio, the authority and duty of licensing radio communication, and full control of wave lengths and the facilities of the air. The act of 1934 abolished this commission and set up another to take its place—the Communications Commission—imposing upon it the duty of regulating telephone, telegraph, cable, and all other forms of electrical communication. These duties previously had been vested in the Interstate Commerce Commission, the Post Office Department, and the State Department.

This Commission, of course, shows a very large additional appropriation—\$1,500,000 for the fiscal year 1936, for salaries and expenses, as compared with \$651,885 for 1935. This Commission has had a large increase in its personnel; but it is another instance, Mr. Chairman, where we constitute a body and impose duties upon it and then find ourselves in the unpleasant situation of having to pay the bill when the bill is presented.

For just a minute or two I direct attention to another new item which appears in this bill, and in the case of which the committee has felt called upon to make a substantial reduction in its estimate for appropriations, and this is the Securities and Exchange Commission.

You will recall, of course, the Securities and Exchange Act which we passed in the closing days of the last Congress set up this Commission and imposed upon it very wide and extensive powers and duties, the extent of which I doubt whether very many of us realized at the time; but, if you in your calmer moments will study the act, you will see where we gave this new organization such vast and comprehensive powers and duties that were they really to undertake to perform them it would cause the building of a gigantic governmental institution.

Their request for appropriations for the first year of their operations was \$4,277,000. It contemplated a personnel of 1,137, of which 719 were to be in the Department, and 418 in the field. This estimate was reduced by the Bureau of the Budget to \$2,340,000. The Committee on Appropriations has made a further reduction to \$1,800,000, based on the statement made in the hearings that they are running currently on the basis of about \$150,000 a month. From the \$1,800,000 the committee has deducted \$150,756 which was erroneously included for rent. Space for this organization will be provided next year by the National Park Service.

Our hearings show that the great duties imposed upon this Commission are such that if they undertake to organize quickly and precipitately they will be required to send out

in the field a vast army of agents, inspectors, investigators, and what not; and it was the deliberate judgment of this committee that this Commission should go along on its present basis at least for its first fiscal year, gain experience and knowledge of conditions, and then show to Congress in the future, if they need it, the necessity for the large organization and the further appropriations for which they were asking.

Now, may I say in fairness and I believe I voice the sentiment of every member of the committee when I say that this reduction in this appropriation is in no sense of the word any reflection upon this Commission or any lack of appreciation of the responsibility and difficulty of their work.

As I have stated previously, and I reiterate, the reason for our action in cutting their appropriation was that we believed they were expanding too rapidly, that they could not possibly build up an efficient personnel and an efficient organization and build it that quickly. So we made that cut in their appropriation.

I come now to the larger item in the bill.

Mr. SISSON. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. SISSON. Perhaps the gentleman intends to cover the matter of the appropriation for the Federal Trade Commission, and, if so, I do not want to disturb the continuity of the gentleman's remarks. However, if it is just as convenient, I should like to ask one or two questions about that appropriation at this time.

Mr. WOODRUM. I would be glad to answer the gentleman's questions.

Mr. SISSON. I note that the appropriation has been reduced \$365,421. On page 7 of the report it speaks of the milk investigation. I am wondering if, in the appropriation, there is taken into consideration any amount for the continuation of the investigation of the dairy industry by the Federal Trade Commission?

Mr. WOODRUM. My understanding is they have funds to continue the investigation and expect to make a further study and conduct a survey of that at Philadelphia.

Mr. SISSON. My understanding is from a rather recent talk with them that they also want to continue that investigation in certain milksheds other than Connecticut and Philadelphia, and that they would need some considerable amount over and above the original \$30,000. I am wondering if that is included, or if any further amount is included?

Mr. WOODRUM. It is not included, and there was no request made for that appropriation.

Mr. SISSON. It will be necessary for the Federal Trade Commission if they get any more money to make a request for a deficiency appropriation.

Mr. WOODRUM. Yes; that is correct. I should like now to call attention to this chart relating to appropriations for the Veterans' Administration. The total appropriation asked for the year 1936 is \$705,420,000, an increase of something like \$159,000,000 over the 1935 appropriation. I have had this table prepared and I shall insert a summary of it in the RECORD for easy reference.

Veterans' Administration

Appropriation title	Appropriation 1934	Appropriation 1935	Estimated appropriation 1936
Salaries and expenses	\$85,773,000	\$86,740,099	\$86,700,000
Printing and binding	150,000	130,000	125,000
Pensions and compensation	319,230,000	394,704,247	400,760,000
Military and naval insurance	123,000,000	118,381,000	116,910,000
Hospital and domiciliary facilities and services	1,000,000		925,000
Adjusted-service certificate fund	50,000,000	50,000,000	100,000,000
Adjusted service and dependent pay	2,835,000	1,286,000	
Total veterans' activities	581,988,000	546,748,096	705,420,000
Civil service retirement and disability appropriated fund	20,850,000	20,850,000	
Total appropriated funds	602,838,000	567,598,096	705,420,000

¹ Includes estimated supplemental appropriations: Pensions, \$98,412,250; military and naval insurance, \$6,081,000.

The first item—and, of course, the one that usually interests us more than anything else—is that relating to salaries and expenses. The amount asked for in 1936 is \$86,700,000. This item in the Veterans' Administration appropriation covers the following activities:

Salaries and operating expenses of the central office in Washington, the field offices, hospitals, homes, and supply depots; the cost of travel and examination of beneficiaries; payment of burial expenses and reimbursement for such expenses; repairs and alterations to hospitals, homes, and other property in which Veterans' Administration facilities are housed; payments to contract facilities wherein Veterans' Administration patients are hospitalized; reimbursements to States at the statutory rate for those veterans cared for in State soldiers' homes who are eligible for admission to Veterans' Administration homes for domiciliary care; in general, all items of expense which are not direct monetary benefits to the veterans.

That is all covered in this item.

There is an actual reduction in the administrative expenses of the Veterans' Administration for the fiscal year 1936 of \$5,961,499, and we have not cut down on any of the benefits. This has been done without taking away any benefits from the veterans, and, on the contrary, we are extending greater benefits by reason of the action of the last Congress in extending the benefit payments to our veterans.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Has there not been a cut in the allowance for food for the veterans?

Mr. WOODRUM. My understanding is there has been absolutely no withdrawal of any facilities or benefits or comforts from the veterans.

Mrs. ROGERS of Massachusetts. May I ask the gentleman if any of this money will be used for the construction of new buildings?

Mr. WOODRUM. None whatever.

Mrs. ROGERS of Massachusetts. There is nothing in this appropriation for buildings?

Mr. WOODRUM. None in this particular item.

Mrs. ROGERS of Massachusetts. But in other items?

Mr. WOODRUM. Yes. There is another item, which I shall discuss later.

Mr. BOLTON. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Ohio.

Mr. BOLTON. Those salaries are on the basis of 100 percent?

Mr. WOODRUM. Yes.

Mr. MILLARD. According to what the gentleman says, then the cost of foodstuff has not gone up in the past year?

Mr. WOODRUM. The cost of foodstuff has gone up; yes.

Mr. MILLARD. Still the same appropriation is made.

Mr. WOODRUM. The reduction in administrative expenses has been brought about by a reduction of 115 of the personnel in the central office and 1,997 in the field. That has been brought about notwithstanding the addition of 4,576 beds made available to veterans over what was available in 1934 and 1,693 over 1935.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. The gentleman stated there were 1,997 or more of the personnel removed from the service in the field. What was the character of the services which they rendered?

Mr. WOODRUM. This falls mostly in the class of regional offices and comes about through consolidation of facilities and failure to fill vacancies without in any way impairing the service rendered to the veterans.

Mr. CULKIN. Will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. CULKIN. Without intending to criticize the committee, does not the gentleman believe that the item of salary and expenses is too high now and can be further reduced?

Mr. WOODRUM. No. I think it is the lowest in the Government service, and the gentleman will appreciate that fact in just a moment.

Mr. CULKIN. It is over 10 percent of the total disbursements now?

Mr. WOODRUM. No. This covers a great deal more than salaries. I read the gentleman a list of what this includes.

Mr. CULKIN. I understand, but it is administration expenses.

Mr. WOODRUM. It is administration expenses, yes.

Mr. FITZPATRICK. Could the gentleman inform us how much has been spent on salaries?

Mr. WOODRUM. Yes. Before I leave that, may I call attention to this fact: This item of \$86,700,000 is on the basis of 100-percent salaries, whereas a larger amount in 1935 was only on the basis of 90-percent salaries, so notwithstanding putting the salaries back they have absorbed that, they have absorbed all of these additional expenses, and still there is an actual reduction in the administrative cost of the item as I have indicated.

Mr. MILLARD. What was the amount for salaries and expenses? Could the gentleman separate the two?

Mr. WOODRUM. \$52,306,320 for salaries.

Mr. MILLARD. For salaries?

Mr. WOODRUM. Yes.

The CHAIRMAN. The gentleman from Virginia has consumed 30 minutes.

Mr. WOODRUM. Mr. Chairman, I yield myself 20 additional minutes.

I want to comment on one other matter and I have given this figure to the committee before.

The total amount in the appropriation for 1934, and I do not have the break-down on this for 1935 and 1936, but this will demonstrate what I am getting at, for direct benefits to the veterans, which means actual payments they receive and hospitalization, amounted to \$545,838,321.57, and the administrative expenses amounted to \$18,723,822, or 3.43 percent of the total appropriation.

I do not believe there is another Government agency that can make such a showing. There is certainly not one in my bill. Out of this total amount the veteran gets, in direct benefits, which means actual money paid to the veteran or dependents, 87.21 percent of every dollar we appropriate, and in hospitalization, travel, direct expenses connected with his hospitalization and domiciliary and medical care, 9.36 percent of the total appropriation, or a total of about 96 percent of every dollar that we appropriate for veterans goes to the veteran and less than 4 percent for administration.

Passing over the item of printing and binding, which is routine, we come to pensions and compensation.

The amount carried in the bill for 1935 for pensions and compensation, which means direct payments made to veterans and their dependents, was \$296,291,997. There will be a deficiency appropriation of \$98,412,250 occasioned by the change of law when the President's veto was overridden, bringing the fund up to the amount asked for. The natural or normal increase in pensions and payments brings this fund up to \$400,760,000.

Military and naval insurance represents the payments that the Government is making on the old war-risk insurance policies. We often hear it said, Mr. Chairman, that the veterans have paid for this insurance. Out of something over \$1,000,000,000 that the Government has already paid for war-risk insurance the veterans actually paid about one-fourth of that amount, or something like \$456,000,000. So our annual contribution to the old war-risk insurance fund, which we are now paying, has been running about \$112,000,000, but you will recall that the Economy Act put a stop date on filing new suits on these old policies. The action of the House in putting on that limitation was disapproved by the Supreme Court and that let in a large number of new cases which will bring about this deficiency appropriation of something like \$6,000,000, and bring that fund up to a figure of about \$116,000,000 a year until we finish appropriating for a balance of about \$600,000,000 more for that obligation.

Mr. SIROVICH. Will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. SIROVICH. The amount for pensions and compensation for 1935 is \$394,000,000. Does the difference between the figure for 1935 and 1936 represent the difference occasioned by the overriding of the President's veto, amounting to only \$6,000,000?

Mr. WOODRUM. No; \$6,000,000 is the natural increase in new claims filed.

Mr. SIROVICH. What would be that increase?

Mr. WOODRUM. That increase is \$98,412,250. We appropriated for 1935, \$296,000,000 plus, and we will have to augment that with a deficiency appropriation to take care of the overriding of the President's veto.

Mr. HESS. Are there any changes in the rates of pensions?

Mr. WOODRUM. No changes since the action on the President's veto message.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. ROBSION of Kentucky. The gentleman stated that we would appropriate in the future \$600,000,000 to take care of the war-risk insurance. I wish the gentleman would amplify that statement.

Mr. WOODRUM. That is a continuing obligation on the part of the Government until we liquidate all of those old policies.

Mr. ROBSION of Kentucky. Is there a present direct obligation of \$600,000,000 yet remaining?

Mr. WOODRUM. That is the actuarial estimate of what the Government will ultimately contribute on the war-risk insurance policies, in addition to appropriations already made. Perhaps I should make this statement in order to make the matter clear. You understand that the war-risk policies were superseded by Government life insurance and that is self-sustaining and we do not appropriate for it. The premiums on the policies pay for that. This fund is to take care of the old war-risk insurance policies on which the veterans paid about one-fourth and the Government three-fourths.

Mr. ROBSION of Kentucky. Have not thousands of those policies lapsed?

Mr. WOODRUM. Yes; certainly; thousands of them have lapsed; otherwise the obligation would be greater.

Mr. ROBSION of Kentucky. Does the gentleman mean to state that those that are in force and for which the Government has a direct obligation will amount to \$600,000,000?

Mr. WOODRUM. Yes; that is what I mean to state. It is a staggering figure.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield to the gentleman from New York.

Mr. FISH. I am simply asking this question for information. What is the \$600,000,000 that goes into the Veterans' Bureau for the war-risk insurance policies?

Mr. WOODRUM. It is the ultimate liability on the Government to finally liquidate all of the old war-risk insurance policies.

Mr. FISH. Is there any set date for liquidation?

Mr. WOODRUM. No.

Mr. FISH. In other words, what is the reason for appropriating \$600,000,000 now?

Mr. WOODRUM. We are not appropriating it now.

Mr. FISH. That is what I did not understand.

Mr. WOODRUM. One hundred and sixteen million dollars is the amount now appropriated.

Hospital and domiciliary facilities is the fund that is used for repairs and alterations and additions to existing Government institutions. We did not make any appropriation in 1935. The Veterans' Administration is asking now for authorization to use \$925,000 of a number of different funds. Gentlemen will recall that we have from time to time had various construction acts for the building of hospitals, at different points, and under different circumstances. There

is a number of those acts. The authorization has already been made; and if this expenditure is authorized, there will still be left about \$4,000,000 in construction acts available for such things as may be needed in the future.

Mr. FISH. Is not that \$116,000,000 for the adjusted-service certificates, for liquidation?

Mr. WOODRUM. No; we have not come to that yet.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. ROBSION of Kentucky. Does that include the \$600,000,000 of liability? Does that include the thousands of suits that have been filed in the United States courts?

Mr. WOODRUM. Yes.

Mr. ROBSION of Kentucky. And if they are defeated by that action, that sum will be reduced accordingly.

Mr. WOODRUM. Yes. The \$600,000,000 is an actuarial estimate. It is a guess based on so many cases being lost and so many having died and what not. We may take it for what it may be worth.

Mrs. KAHN. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

Mrs. KAHN. This is not a question strictly along the lines the gentleman is talking, but a lot of interest has been manifested in the amount of money that is in the reserve, in the surplus, for these men. I wonder if the gentleman has any idea of how much money that is?

Mr. WOODRUM. I could not answer that.

Mr. FISH. I think I can answer that. It is \$160,000,000.

Mrs. KAHN. Was not something in the way of \$180,000,000 put in?

Mr. FISH. Not for many years. There has been \$1,300,000,000 appropriated altogether by Congress to liquidate the adjusted-service certificates.

Mr. WOODRUM. We have been putting about \$50,000,000 a year in that fund. It is not what the actuaries say we ought to put in. When we made it possible for the veterans to borrow 50 percent of their certificates, we put \$200,000,000 in. In 1934 we put \$50,000,000 in and in 1935, \$50,000,000, and this year they have thought that we ought to put in \$100,000,000 to bring it up to present indications. But perhaps that will all be taken care of in another way.

Mr. ANDREWS of New York. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. ANDREWS of New York. I am under the impression that we put in the reserve last year approximately \$112,000,000.

Mr. WOODRUM. Fifty million dollars last year.

Mr. BOILEAU. The actuaries claim that approximately \$150,000,000 is necessary in order to build up a sufficient fund.

Mr. WOODRUM. Yes. We are away behind on that. Next, the civil-service retirement and disability fund. We have been putting \$20,850,000 a year into that, and again we are behind according to the actuaries' estimates on the Government's obligations to that fund. It was not in this bill, but in the Civil Service Commission appropriation, we are giving \$40,000,000 to the fund, which is just a little less than the actuaries say should be put in.

I should like to make another point in which I think the Members of the House will be interested, in connection with this veterans' appropriation. It is in the matter of the cost of hospitalization. The Veterans' Administration has made a careful study of the comparative cost of hospitalizing veterans in private, contract institutions, as compared with the cost of hospitalizing in their own institutions. It has been referred to here very often on the floor of the House, and our distinguished friend from Massachusetts [Mr. LUCE] used to periodically ask me about that, and we never agreed upon it. They have made a very careful study of that. They find that the hospitalized patients in contract hospitals cost approximately \$7 per patient per day and that the same service—I should say perhaps a better service—in Government hospitals runs from \$3.50 to \$3.75 per patient per bed per day.

Mr. KNUTSON. Does that take into consideration interest on the investment and depreciation?

Mr. WOODRUM. I do not think it does, but you never figure that in Government activities.

Mr. KNUTSON. But you should in making a comparison.

Mr. WOODRUM. If you figure it on a comparative basis, the difference in the service that they get would account for that. I say this, without in any way reflecting on the private hospital or private institution, that the veterans in these Government hospitals do get the finest medical attention they can have, and the finest care and attention and food. If you have not done so, I wish every Member of this House would try to make it possible to visit at some time one of these Government hospitals. Just drop in without being announced, and you will find it the acme of perfection and attention.

Mr. PERKINS. Mr. Chairman, if the gentleman will permit, I rise to confirm what the gentleman has said. I was on an investigating committee, investigating a great many Government hospitals, and I found them just as the gentleman has described.

Mr. WOODRUM. During this past summer I visited a veterans' hospital at Waco, Tex., in the district of the able and conscientious and distinguished gentleman from Texas [Mr. Cross], though he did not happen to be there at the time to extend me the right hand of fellowship. I dropped in without being announced. It is a mental institution. I spent a day with Dr. Rubui, that very splendid physician in charge of that institution, and I was highly delighted and got great consolation in knowing that the Government was there doing everything that money and care could do for those poor unfortunate people. I found this, however, and I am glad to see it remedied in this bill. We have been neglectful of the facilities for our colored veterans, and that applies all over the country.

In this bill funds are provided. In this \$925,000 to which I have alluded, the Veterans' Administration have plans under way to add facilities at existing institutions whereby the colored veterans will be given everything that the American citizen would want him to have.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mrs. ROGERS of Massachusetts. I know that is absolutely the case. I think we also have been neglectful in our care of women veterans so far as Government facilities are concerned. Have you any appropriation for added buildings for them?

Mr. WOODRUM. Not that I know of. I know the committee would be very sympathetic with any showing that could be made to justify some such appropriation.

Mrs. ROGERS of Massachusetts. Does the gentleman believe the committee would entertain an item of appropriation in this bill for the women patients?

Mr. WOODRUM. The committee would want it to go through the regular channels and be submitted to the Veterans' Administration for their consideration, and to the Budget, and hear what they have to say about it.

Mrs. ROGERS of Massachusetts. One other question. Of course, the expense of hospitalization of the veteran in diagnostic clinics is much greater than in other veteran hospitals.

Mr. WOODRUM. Much greater; yes.

Mrs. ROGERS of Massachusetts. Have you the figure?

Mr. WOODRUM. The figure I gave was an average figure, based on an average of all classes of cases. Of course, the tubercular cases are very expensive cases, and the general medical cases also. The neuropsychiatric cases are not so expensive, but the figure I gave was an average figure.

Mrs. ROGERS of Massachusetts. The diagnostic clinic is much greater?

Mr. WOODRUM. Yes.

Mrs. ROGERS of Massachusetts. And the gentleman's committee appropriated every penny that General Hines

asked for to be spent for repairs and additions to the hospital?

Mr. WOODRUM. Yes.

Mr. KNUTSON. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. KNUTSON. How much have we invested in hospitals up to the present time?

Mr. WOODRUM. My recollection is something over \$149,943,000 in new construction since the war.

Mr. KNUTSON. Is that all?

Mr. WOODRUM. I think that is enough; it is ample; and I will say that they are being taken care of.

Mr. FITZPATRICK. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. FITZPATRICK. The \$400,760,000 is the amount requested by the Veterans' Administration?

Mr. WOODRUM. Yes, sir.

Mr. NICHOLS. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. NICHOLS. I should like to know if the money is included in this appropriation bill which we use to take care of the widows and orphans?

Mr. WOODRUM. The widows' and orphans' pensions; yes, sir.

Mr. NICHOLS. Does this appropriation provide for any increase in that compensation, in those payments today?

Mr. WOODRUM. This appropriation could not, I will say to the gentleman from Oklahoma, because that would require a change in the basic law which would have to come from a legislative committee. The function of this committee is to provide funds for the basic law that Congress has heretofore enacted. This carries sufficient funds to pay for the widows' and orphans' pensions which we passed at the last session of Congress, Public, No. 484.

Mr. NICHOLS. I think we ought to do something to take care of a lot of these folks that we are neglecting.

Mr. WOODRUM. The legislative committee would have to take care of that.

Mr. McFARLANE. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. McFARLANE. I cannot tell from that chart just what the total administrative expense for the Veterans' Administration amounts to. I notice it shows salaries and expenses, and then down below, "Civil service."

Mr. WOODRUM. The "Civil service" is out of the bill. The civil-service retirement fund was transferred to the Civil Service Commission. It was in in 1934 and 1935, but it is out now. This item here is the total administrative expense of the Veterans' Administration.

Now, Mr. Chairman, unless there are some further questions, I think I have consumed all the time I should consume.

Mr. WEARIN. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. WEARIN. The gentleman passed the section with reference to the National Advisory Committee for Aeronautics. If the gentleman will return to that, I notice in the report on the bill this particular section carries an increase of \$113,008 above the current appropriation, and that \$66,418 is required to restore salaries to the 100-percent basis. Would the gentleman explain that just a little?

Mr. WOODRUM. Explain the restoration of salaries to the 100-percent basis?

Mr. WEARIN. Yes.

Mr. WOODRUM. In all of these items we are carrying 100-percent salaries. That is, full salary restoration for the next year in all of these departments.

Mr. WEARIN. And that is the reason for this particular action?

Mr. WOODRUM. There is an increase in every department, which restores their salaries from 95 percent as at present to 100 percent beginning July 1.

Mr. SWEENEY. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. SWEENEY. Suppose we change that and make it retroactive to January 1, what happens?

Mr. WOODRUM. That could not be done in this bill. That would be a change in the substantive law which would have to be done by a separate bill.

Mr. SAUTHOFF. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. SAUTHOFF. Can you give an estimate for the yearly expenditure that would be abolished if the soldiers' bonus were paid in full at once?

Mr. WOODRUM. I cannot; but obviously it would be simply the clerical service necessary to keep the books, and I think it would be infinitesimal.

Mr. SAUTHOFF. That is in that item of 3 percent-plus that you gave previously?

Mr. WOODRUM. Yes.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. WOODRUM] has again expired.

Mr. WOODRUM. I yield myself 2 additional minutes.

Mr. BOILEAU. Will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. BOILEAU. The gentleman stated a little while ago that the appropriation for the coming year was \$159,000,000 more than for the present year. Does the gentleman mean that that \$159,000,000 will be an increase in the expense of the Veterans' Administration in 1936 over 1935?

Mr. WOODRUM. I did not say in the Veterans' Administration; I said the whole bill.

Mr. BOILEAU. The veterans' item is \$158,000,000 more, is it not?

Mr. WOODRUM. Yes.

Mr. BOILEAU. That does not mean that the cost of the Veterans' Administration in 1936 will be \$158,000,000 more than in 1935?

Mr. WOODRUM. No.

Mr. BOILEAU. Ninety-eight million dollars over what they received in 1935, over the official estimate for 1935?

Mr. WOODRUM. Brought about largely because of added benefits incident to the passing of the bill over the President's veto.

Mr. BOILEAU. Is that for the year 1935-36?

Mr. WOODRUM. It is for part of 1935 and 1936.

Mr. BOILEAU. But that probably would represent the additional cost for the balance of the year 1935.

Mr. WOODRUM. Yes. The \$98,000,000 was what it cost in 1935.

Mr. BOILEAU. Ninety-eight million dollars more.

Mr. WOODRUM. Yes. That brought the 1935 appropriation of \$296,000,000 plus up to \$394,000,000 plus.

Mr. BOILEAU. If in 1935 it cost \$98,000,000 more, how much more will it cost in 1936 than it did in 1935?

Mr. WOODRUM. It will cost the difference between \$296,000,000 and \$400,700,000. Some of it is brought about by the widows and orphans' pension bill, and part of it is made necessary because of certain changes the President has made in the regulations. About \$100,000,000 is what the Veterans' Administration estimates the increase to be.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield myself 5 additional minutes.

Mr. BOILEAU. Is it not a fact that it is not fair to charge the increase entirely to the action of Congress in overriding the Presidential veto? Did not the President at the time intimate that it was his intention to make substantial changes in the regulations?

Mr. WOODRUM. I think so; yes.

Mr. BOILEAU. So that the actual cost to the Government because of its action in overriding the President's veto is nowhere near \$98,000,000 a year.

Mr. WOODRUM. It is substantially less than that, I think.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. ROBSION of Kentucky. Under the heading of "Civil-service retirement fund", I see \$40,000,000 appropriated as a credit. Will the gentleman be so kind as to tell the House

the annual contribution made by the Government and by the employees of the Government?

Mr. WOODRUM. It is my understanding that the contribution is made on an equal basis by both the Government and the employees of the Government, that each contribute 3½ percent of the pay roll.

Mr. ROBSION of Kentucky. It does not cost the Government more than \$40,000,000 annually?

Mr. WOODRUM. It costs the Government a little more than that. We are behind. It will take about \$52,000,000 to pay the Government's share of that.

Mr. ROBSION of Kentucky. And it will take a contribution of substantially the same amount on the part of the employees?

Mr. WOODRUM. Yes.

Mr. MILLARD. Mr. Chairman, will the gentleman yield for a question?

Mr. WOODRUM. I yield.

Mr. MILLARD. What was the purpose of transferring this item from the Veterans' Administration to the civil-service item?

Mr. WOODRUM. Because it was thought more logical to have it in the Civil Service Commission than in the Veterans' Administration. It is simply an administrative change.

Mr. MAY. Mr. Chairman, if the gentleman will yield, can the gentleman tell us the total sum of money that has been deposited from year to year for the retirement of the adjusted-service certificates, including the \$50,000,000 carried by this bill?

Mr. WOODRUM. I do not have those figures.

Mr. MAY. Has the gentleman an approximate idea of the amount?

Mr. WOODRUM. I can give the figures to the gentleman; it is \$1,296,000,000.

Mr. CARPENTER. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. CARPENTER. Included in the item for Foreign Service is an appropriation to take care of the depreciation of the currency, is there not?

Mr. WOODRUM. Yes.

Mr. CARPENTER. Is this due to the lessened gold content of the dollar?

Mr. WOODRUM. That is one way of stating it.

Mr. CARPENTER. I am wondering if this is consistent with the attitude of the Attorney General before the Supreme Court in the last day or two.

Mr. WOODRUM. The gentleman from Virginia would not like to pass upon the consistency of the opinions of the Attorney General.

Mr. CARPENTER. Is it not the opposite position from that he is taking before the Supreme Court?

Mr. WOODRUM. I am perfectly willing for the gentleman from Kansas to form his own conclusions in the matter.

Mr. NICHOLS. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. NICHOLS. Does the item "Civil-service retirement disability" include only the civil-service employees in the Veterans' Administration?

Mr. WOODRUM. No. The administration of the civil-service retirement fund, which is a fund to provide for the retirement of the general civil-service employees of the Government, was for a time in the Department of the Interior. When the old Pension Bureau of the Department of the Interior was consolidated with the Veterans' Administration they sent the civil-service retirement section to the Veterans' Administration, but by administrative order it was transferred to the Civil Service Commission, where, obviously, it was more properly and agreeably situated.

Mr. NICHOLS. Will this amount be deducted, then?

Mr. WOODRUM. Nothing is carried in the veterans' appropriation for 1936 for it. It is in this bill under the appropriation for the Civil Service Commission. [Applause.]

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 20 minutes.

Mr. WIGGLESWORTH. Mr. Chairman, at the outset I want to reciprocate the sentiments which the distinguished chairman of this subcommittee has been good enough to express. I want to pay my respects to the majority members of this committee. It is always a pleasure to work with them; and I am sure, after listening to the able presentation by the chairman [Mr. Woodrum], the Members of the House will agree with me that it is indeed fortunate in having such an able and distinguished chairman of this subcommittee. [Applause.]

Mr. Chairman, I shall not attempt to speak at length today. In view of what has been said about the bill, in view of the fact also that there is very little of a contentious nature in the bill insofar as the committee is concerned, no extended presentation on my part is essential, I am sure.

The bill, as a whole, as has been pointed out, carries a total appropriation of approximately \$777,000,000 (\$776,916,706), or roughly \$160,000,000 (\$159,693,674) more than carried by the same bill a year ago. There are increases reported in most of the items in the bill. In four instances I think there are apparent reductions, but those reductions are more apparent than real. As the chairman has pointed out, of the total increase of approximately \$160,000,000, about \$24,000,000 (\$24,166,130) is accounted for by the restoration of compensation to the extent of 5 percent which is carried by the bill, while about \$118,000,000 (\$117,897,904) is to be found in the appropriation for the Veterans' Administration, which includes an increase of \$50,000,000 in the contribution to the adjusted-service certificate fund in order to bring that fund more nearly to the point it should be on an actuarial basis.

This bill, I think, is always an interesting one. It has the added interest this year of three new organizations which are covered by its terms. One of the new organizations is the reorganized National Mediation Board, set up for the purpose of ironing out disputes and maintaining harmony within the field covered by the Railway Labor Act. In the new organization provided for in June 1934, the functions of the old Board of Mediation were retained, including provision for mediation, for arbitration, and for settlement of disputes, if necessary, through emergency boards designated by the President. In addition there is an added function provided for through the so-called "National Railroad Adjustment Board." The functions of this Board are primarily to take care of cases involving the interpretation and application of agreements in this general field which have been concluded. The Adjustment Board consists of 36 members, 18 designated by the carriers and 18 by workers' organizations. Its headquarters is in Chicago. It operates through four divisions. It contemplates a working force of about 55 and asks for an appropriation of \$156,000.

I have always believed that the former Board of Mediation did excellent work under the leadership, as many Members of this House know, of a distinguished citizen of Massachusetts, a former Member of this House, Hon. Samuel Winslow. The new organization gives promise, if we are to accept the testimony before our committee, of doing even better work in this field, and I am sure we all share in the hope that this will prove to be the case, realizing the important part which it is designed to play in the railway field, responsible for the well-being of something over a million and a half workers.

The other new items have already been referred to by the chairman of the subcommittee, namely, the Federal Communications Commission and the Securities and Exchange Commission. The Federal Communications Commission contemplates an organization of 408 workers at home and 111 in the field, and asks for an appropriation of \$1,500,000. The personnel requested and the appropriation requested are both about 150 percent in excess of that required by the old Federal Radio Commission, with its work in the radio field as distinguished from the functions imposed on the new Commission.

Should the Commission actually go into the matter of valuation of the utilities under its control, the evidence indicates that an even larger appropriation would be requested.

The Securities and Exchange Commission has been accorded tremendous powers as pointed out by the chairman. The able statement of its chairman, Mr. Kennedy, before the committee affords striking evidence of this fact. I sincerely hope that this Commission in the exercise of its powers will proceed with moderation in order that the country may derive the maximum benefit from its regulation and not be handicapped by ill-advised or excessive regulation.

Two or three of the older units may perhaps be referred to, for example, the Employees' Compensation Commission. The evidence before the committee shows a tremendous increase in the work of this Commission. The number of injuries reported annually to the Commission under normal conditions amounted to something like 24,000. Last year there were reports of injuries from the Civil Works Administration alone amounting to 163,000 and from the C. C. C. amounting to 10,000. The reports from other sources also increased to well over 29,000. It is obvious, I think, from the testimony presented, that an increase in funds for the Employees' Compensation Commission is essential.

The Federal Trade Commission has turned over a portion of its former duties to the new Securities and Exchange Commission, about 118 of its personnel, and something over \$260,000 of its appropriation.

The work of the Commission has increased in respect to investigations made for the National Recovery Administration. The Commission has made 270 investigations with a view to the enforcement of codes under the N. R. A., and has also done similar work to a lesser degree for the A. A. A.

The Tariff Commission has also had increased duties imposed upon it. Some 10 investigations have been made under the N. R. A. with a view to the control of imports. An immense amount of work has also resulted under the policy of reciprocal trade agreements. Some 31 separate committees have been set up in connection with this work, and it is estimated that \$426,753 out of its total appropriation of \$955,000 will be needed for the work.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to my colleague from Massachusetts.

Mrs. ROGERS of Massachusetts. Does the gentleman know how many trade agreements have been made with other countries?

Mr. WIGGLESWORTH. The only agreement actually concluded to date is the agreement made sometime ago with the Government of Cuba. There are a number of other negotiations in view, the exact status of which I am not in a position to state.

Mrs. ROGERS of Massachusetts. I think there are some 15 under consideration at the present time and there is great agitation among the industries which have been or which may be hurt by the elimination of tariff protection.

Mr. DONDERO. If the gentleman will permit, the agreement he speaks of with Cuba is principally with respect to sugar, is it not?

Mr. WIGGLESWORTH. That is the principal item, I think.

Mrs. ROGERS of Massachusetts. It has affected the cotton and cotton-textile industries adversely.

Mr. WIGGLESWORTH. I am not going to talk any further about the Veterans' Administration. This is something which is always of great interest to all of us here in the House, but the appropriation has been so admirably explained by the gentleman from Virginia that I am not going to take the time to say anything further about it. I simply want to emphasize that this appropriation puts into effect the liberalization of regulations previously in force as a result of the action taken by both Houses of Congress at the last session.

I want to emphasize also the fact that there is carried in this bill the sum of \$925,000 for increased hospitalization facilities. This is a particularly important matter or

becoming so with reference to the neuropsychiatric cases. The evidence before the committee indicates that there are today some 21,000 of these unfortunate cases and that we may expect ultimately to have as many as 40,000 of them, while there are available at present no more than 189 free beds to take care of this type of case.

Mr. McFARLANE. Will the gentleman yield there?

Mr. WIGGLESWORTH. I shall be glad to yield to the gentleman from Texas.

Mr. McFARLANE. Can the gentleman tell us how the hospitals are divided up at this time as between these cases and other kinds of cases and what part of the hospitals is being used at this time to take care of the C. C. C. cases?

Mr. WIGGLESWORTH. I thought I had that information here in chart form.

Mr. McFARLANE. Will the gentleman put that in the RECORD, please?

Mr. WIGGLESWORTH. I shall be glad to do so.

Mr. McFARLANE. And show the vacancies in the different hospitals, so that we can get some idea of the kind and character of hospitalization we are having in the country in order that we may answer the inquiries of our constituents along this line.

Mr. WIGGLESWORTH. I shall be glad to do so.

Veterans' Administration—Average number of beds available, by type of facility, for the fiscal years 1934, 1935, and 1936

Hospitals		State	Average hospital beds		
			1936	1935	1934
Neuropsychiatric:					
American Lake	Washington	676	676	676	
Augusta	Georgia	966	966	966	
Bedford	Massachusetts	813	813	813	
Camp Custer	Michigan	835	835	834	
Canandaigua	New York	468	468	468	
Chillicothe	Ohio	944	944	944	
Coatesville	Pennsylvania	1,136	1,136	1,073	
Danville	Illinois	1,825			
Fort Lyon	Colorado	699	699	616	
Gulfport	Mississippi	598	598	598	
Knoxville	Iowa	851	851	851	
Lexington	Kentucky	256	256	256	
Lyons	New Jersey	895	895	895	
Marion	Indiana	1,400	1,400	1,400	
Northampton	Massachusetts	611	611	564	
North Chicago	Illinois	1,135	1,135	1,135	
North Little Rock	Arkansas	820	820	820	
Northport, Long Island	New York	1,392	1,392	1,392	
Palo Alto	California	1,010	1,010	1,010	
Perry Point	Maryland	1,015	1,015	1,015	
Roanoke	Virginia	472	177		
St. Cloud	Minnesota	755	755	755	
Sheridan	Wyoming	598	543	466	
Tuskegee	Alabama	1,136	1,136	1,145	
Waco	Texas	308	308	308	
Total		21,614	19,439	18,980	
Tuberculosis:					
Aspinwall	Pennsylvania	501	501	466	
Castle Point	New York	479	479	479	
Fort Bayard	New Mexico	450	450	450	
Legion	Texas	433	433	433	
Livermore	California	318	318	318	
Oteen	North Carolina	850	850	850	
Outwood	Kentucky	431	403	375	
Rutland Heights	Massachusetts	472	472	437	
San Fernando	California	230	230	230	
Sunmount	New York	520	520	520	
Tucson	Arizona	358	358	358	
Walla Walla	Washington	400	400	388	
Whipple	Arizona	600	600	600	
Total		6,042	6,014	5,904	
General:					
Albuquerque	New Mexico	259	259	259	
Alexandria	Louisiana	439	439	439	
Atlanta	Georgia	200	200	200	
Batavia	New York	297	297	50	
Boise	Idaho	302	302	302	
Bronx	New York	950	950	950	
Cheyenne	Wyoming	108	108	18	
Columbia	South Carolina	304	304	304	
Des Moines	Iowa	300	300	75	
Dwight	Illinois	225	188		
Excelsior Springs	Missouri	252	252	252	
Fargo	North Dakota	100	100	100	
Fayetteville	Arkansas	258	258	65	
Fort Harrison	Montana	438	438	438	
Hines	Illinois	1,750	1,750	1,750	
Huntington	West Virginia	210	210	210	
Indianapolis	Indiana	182	182	182	
Jefferson Barracks	Missouri	372	372	372	
Lake City	Florida	307	307	307	
Lincoln	Nebraska	197	197	197	
Memphis	Tennessee	450	450	457	

Veterans' Administration—Average number of beds available, by type of facility, for the fiscal years 1934, 1935, and 1936—Con.

Hospitals		State	Average hospital beds		
			1936	1935	1934
General—Continued.					
Minneapolis	Minnesota	642	642	612	
Muskogee	Oklahoma	407	407	402	
Newington	Connecticut	266	266	266	
Portland	Oregon	385	385	385	
Salt Lake City	Utah	103	103	103	
San Francisco	California	334	334		
Tuscaloosa	Alabama	346	346	304	
Washington	District of Colum- bia	327	316	266	
Wichita	Kansas	166	166	109	
Total		10,846	10,798	9,344	
Homes:					
Augusta	Maine	275	275	209	
Bath	New York	405	405	338	
Bay Pines	Florida	197	197	181	
Biloxi	Mississippi	207	207	177	
Danville	Illinois		772	562	
Dayton	Ohio	1,104	1,104	1,104	
Hampton	Virginia	810	810	810	
Hot Springs	South Dakota	207	207	207	
Johnson City	Tennessee	565	565	563	
Leavenworth	Kansas	824	824	636	
Milwaukee	Wisconsin	1,304	1,304	1,304	
Roseburg	Oregon	191	191	106	
West Los Angeles	California	1,882	1,668	1,232	
Total		7,971	8,529	7,669	
			Average domiciliary beds		
Augusta	Maine	1,066	1,580	1,387	
Bath	New York	1,111	1,111	1,145	
Bay Pines	Florida	350	350	350	
Biloxi	Mississippi	350	350	320	
Danville	Illinois		2,104	2,314	
Dayton	Ohio	3,124	3,124	3,276	
Hampton	Virginia	1,539	1,539	1,539	
Hot Springs	South Dakota	433	433	433	
Johnson City	Tennessee	2,743	2,743	2,664	
Leavenworth	Kansas	2,205	2,205	2,025	
Milwaukee	Wisconsin	1,752	1,752	1,752	
Roseburg	Oregon	350	350	322	
West Los Angeles	California	4,877	5,108	5,577	
Total		19,909	22,749	23,104	
SUMMARY					
Hospital beds: ¹					
Neuropsychiatric		21,614	19,439	18,980	
Tuberculosis		6,042	6,014	5,904	
General		10,846	10,798	9,344	
General (homes)		7,971	8,529	7,669	
Total, hospital beds		46,473	44,780	41,897	
Domiciliary beds		19,909	22,749	23,104	
Grand total		66,373	67,529	65,001	

¹ As of Nov. 30, 1934, there were 475 C. C. C. patients in various veterans' hospitals. There were also on that date about 3,500 vacant hospital beds, of which 189 were available for neuropsychiatric cases.

Mr. Chairman, I do not want to talk at length. I am going to make just one or two observations of a general character before concluding what I have to say.

I call the attention of the members of the committee, in the first instance, to the evidence brought before this committee by the General Accounting Office. The evidence submitted by that organization indicates that its work had been more than doubled in view of the recent expansion of Government activities. For example, whereas in normal times a total number of about 31,000,000 checks was handled annually by this agency, in the fiscal year 1934 there were no less than 100,000,000 checks which the office was called upon to handle.

The evidence also indicates that the Accounting Office does not have at this time facilities deemed adequate for carrying out the responsibilities which should be properly intrusted to it. The statement was made that if these facilities were available, an additional \$100,000 would be requested in order to carry out the proper functions of the office.

The evidence also indicates that while progress has been made in bringing the emergency organizations under the General Accounting Office for audit, there are still some 25

units which do not submit at this time to audit by the General Accounting Office.

I am in favor of giving the General Accounting Office the facilities it requires and all the funds it needs to do a 100-percent job.

Mr. McFARLANE. Will the gentleman insert in the RECORD the 25 agencies referred to?

Mr. WIGGLESWORTH. I will.

LIST OF ACTIVITIES WHICH DO NOT SUBMIT ACCOUNTS TO GENERAL ACCOUNTING OFFICE FOR AUDIT

Agricultural credit corporations (under F. C. A.).
Alien Property Custodian.
Clerks of courts (Justice).
Central banks for cooperatives (F. C. A.).
Corporation of foreign security holders.
Comptroller of Currency (assessments and insolvent, etc., banks).
Federal Deposit Insurance Corporation.
Federal Farm Mortgage Corporation (F. C. A.).
Federal savings and loan associations.
Federal Reserve Board.
Gorgas Memorial Institute (field audit).
Home Owners' Loan Corporation (offers to account).
Hospitals of various services.
Inland Waterways Corporation.
Insular governments' funds in Treasury, except Virgin Islands.
Merchant Fleet Corporation (local audit).
Panama Railway Co.
Panama Steamship Co.
Perry's Victory Memorial Commission (collections).
Reconstruction Finance Corporation.
Smithsonian Institution (funds, etc.).
Soldiers' Home funds.
Tennessee Valley Associated Cooperatives, Inc.
Various special deposits.
Virgin Islands (partial).

I am in favor of doing everything possible to bring each and every Government unit under the jurisdiction of the General Accounting Office. I think this is a protection for any administration. I think it is due the people of the United States.

Someone this morning called my attention to the Budget message delivered to this Congress a year ago, and I quote one section of that message, as follows:

Up to now there has been no coordinated control over emergency expenditures. Today, by Executive order, I have imposed that necessary control in the Bureau of the Budget.

Heretofore emergency expenditures have not been subject to audit by the Comptroller General of the General Accounting Office. Today I am, by Executive order, reposing in him the authority to conduct such an audit and to continue to audit each such expenditure. Hereafter, therefore, just as in the departmental expenditures, there will be, in emergency expenditures, a pre-Budget and a post-audit.

By reason of the fact that the Bureau of the Budget has had no control in the past over the various expenditures, obligations, and allotments made by the emergency organizations, the task of preparing the present Budget has been the most difficult one since the Budget and Accounting Act went into effect in 1921. These difficulties in future years will be substantially minimized by the control which I have established.

The Executive order referred to was revoked a day or two later.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself an additional 10 minutes.

Mr. Chairman, I have no comment to make except to say that I am in hearty accord with the purpose manifested in this statement by the President to this Congress a year ago in submitting his annual Budget message. I hope that steps will be taken as promptly as possible to assure a pre-Budget and a post-audit for every Government activity in the future.

I might go one step farther. The bill which we have under consideration covers some 20 so-called "independent establishments." Of course, it does not cover them all. If the Members of the House will examine the Budget and that section of the Budget which refers to the independent establishments of the Government, they will find some 30 additional establishments which have been financed during the past fiscal year and which are not at this time requesting any appropriation. If they continue to function they must obtain in some way further funds in the future.

The number includes independent agencies with a personnel running into the thousands, with an annual expenditure running into the hundreds of millions, which have been financed either out of lump-sum appropriations or other

allocations or through the permission of Congress to finance themselves through the use of the public credit. In respect to these organizations, Congress, as I see it, has largely deprived itself of the power of appropriation and the power of control.

Mr. McFARLANE. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Texas.

Mr. McFARLANE. Will the gentleman put in his remarks a list of these 30 organizations and the amount they have been spending? It is my belief that we ought to begin to look after these departments.

Mr. WIGGLESWORTH. I will try to insert a comprehensive table along that line, either with my remarks or subsequently.

We had some debate on the floor yesterday with respect to the Home Owners' Loan Corporation. That is an example of the organizations of which I am speaking. That organization had on its pay roll for the present fiscal year over 17,000 employees, with an expenditure for salaries of over \$36,000,000.

The Corporation has reported its expenditures to the Budget Bureau this year. That information is available to the Members of the House. I am not criticizing the expenditures, I am merely saying that I know of no control which Congress has over current expenditure by this or similar organizations unless it be by resort to indirect methods, such as suggested by the gentleman from Texas [Mr. BLANTON] yesterday.

Mr. COCHRAN. Will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. COCHRAN. With reference to the expenditure for the personnel of the Home Owners' Loan Corporation, does not that money come back to the Government? In other words, when an application is under consideration certain fees are charged and in the interest charge there is a percent applied to expenses. Therefore, the overhead all comes back to the Government?

Mr. WIGGLESWORTH. I think the gentleman is in a measure correct.

Mr. COCHRAN. But the gentleman did not leave that impression—he left the impression that the money came entirely out of the Treasury of the United States. I want the RECORD to show this money is not a charge on the taxpayers.

Mr. WIGGLESWORTH. Congress authorized the Corporation to be set up, it authorized the Treasury to subscribe to its capital stock to the extent of \$200,000,000; it authorized the Corporation to issue its bonds to the extent of \$3,000,000,000; it authorized the guaranty by the Treasury of both principal and interest of these bonds. Then it authorized the Corporation to employ such personnel and pay such salaries as it should see fit. I simply make the point that to that extent Congress has deprived itself of any direct power to regulate the current expenditure of the organization.

Mr. COCHRAN. But the law does provide that the Corporation can charge a certain interest, and the intent of Congress, as I understand it, was that that interest would be sufficient to pay the overhead. Is that correct?

Mr. WIGGLESWORTH. The intent of Congress is one thing, the control by Congress is another.

Mr. COCHRAN. I realize that. The question of the control of the salaries paid, and so forth, might not be in the hands of Congress, but nevertheless the Congress, in the bill for which the gentleman voted, I think, and for which I voted and tried to amend time and time again but was defeated by the Republican side of the House, provided that the interest charged should cover the overhead expenses of the Home Owners' Loan Corporation. In other words, in the end it would be of no expense to the taxpayers of the country.

Mr. DONDERO. Mr. Chairman, will the gentleman yield to me to answer the gentleman from Missouri?

Mr. WIGGLESWORTH. Yes.

Mr. DONDERO. Is it not true that the bonds of the Corporation are being sold, paying less than 3 percent, while the mortgages given pay around 5 percent, and the difference

between the two is really to pay for the cost of the administration act?

Mr. COCHRAN. I am not talking about the interest on the bonds. I am talking about the interest on the loans. There is a difference between the interest on the bonds and the interest on the loans. It is the interest on the loans that absorbs all overhead expenses of the Home Owners' Loan Corporation, and we should not let the Record indicate that the people of the United States generally as taxpayers are paying the personnel of the Home Owners' Loan Corporation.

Mr. DONDERO. It is the people who use the Home Owners' Loan Corporation who are really paying for the administration of the act. Those who do not use it do not pay for it.

Mr. COCHRAN. That is what I say.

Mr. WIGGLESWORTH. If my recollection is correct, there was no general opposition by Republicans to the legislation referred to. On the contrary, it was widely supported by them. Whether or not the taxpayers generally meet the expenses of administration depends on collections of principal and interest by the Home Owners' Loan Corporation from its borrowers.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. Yes.

Mr. BLANTON. The contention and the attitude of the Board is that since Congress has created it and provided it with several hundred million dollars of capital stock and authorized \$2,000,000,000 worth of bonds that are guaranteed by the Government, both as to principal and interest, that it not only does not appreciate any suggestion from Congress but it is not going to tolerate any suggestion. The contention is that it is going to handle its own business and provide its own regulations; that it is going to provide its own salary, and it wants Congress to let it alone.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 5 minutes more. I do not want to leave the impression that I am singling out any institution in this connection. I appreciate fully what the Home Owners' Loan Corporation has meant to those in need throughout the Nation. I am raising a broad question of principle. For my part I believe that, insofar as is humanly possible, every governmental organization which is expending public funds should be subject to the Budget, should be subject to the Comptroller General, should be subject to the appropriating bodies of both Houses of this Congress.

Mr. Chairman, I call the attention of the Committee to the evidence submitted by the Civil Service Commission. That evidence indicates that there are on the pay rolls of the Government no less than 220,000 workers who are entirely exempt from civil-service requirements. It indicates also a tremendous turn-over of personnel from month to month. It indicates an increase in retirements during the past year to the extent of more than 100 percent. It indicates that about half of these retirements have been made under the involuntary 30-year retirement provision which, incidentally, this bill seeks to continue in effect for another 12 months. All of us are familiar with the so-called "McKellar amendment" affecting some 1,260 workers on the civil-service rolls and with other examples where inroads have been recently made into the civil service. In my judgment the picture presented by the evidence to which I refer is one which deserves the most thorough-going investigation. The people of the country are entitled to an explanation. Inefficiency, waste, and an increased burden for the taxpayers of the country are the inevitable results of recent tendencies.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. Gladly.

Mrs. ROGERS of Massachusetts. I notice there is an appropriation for an additional alcohol tax unit examination. Is not that the examination that was held as the result of the McKellar amendment?

Mr. WIGGLESWORTH. I assume that it is.

Mrs. ROGERS of Massachusetts. And that, of course, is a large unnecessary expense to the taxpayers. I understand the Department is going to request that the McKellar amendment be repealed, because it is so unjust to the men in the alcoholic tax unit, who had already taken one civil-service examination and passed it and were employed. It has caused great hardship. They were simply ejected from the civil service, with all protection taken away which civil service gives to the employees. I agree with my distinguished colleague in his approval of the civil-service or merit system.

Mr. WIGGLESWORTH. I hope that my colleague's understanding will prove to be a fact. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. McFARLANE].

Mr. McFARLANE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include therein a letter from Mr. Henry H. Curran, director of the National Economy League, and my reply thereto.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

WE SHOULD PAY THE BALANCE DUE ON THE ADJUSTED-SERVICE CERTIFICATES IN CASH NOW

Mr. McFARLANE. Mr. Chairman, as a good Democrat well said in the 1928 campaign, "Just to keep the record straight", I want to refer to the record made in the last Congress regarding our efforts to pay the balance due on the adjusted-service certificates.

The Patman bill was introduced on the first day of the special session, March 9, 1933. The committee failed to act on it, and on April 27, 1933, Mr. LUNDEEN, of Minnesota, filed a petition to discharge the committee. We who favored that legislation worked to secure the necessary signatures to discharge the Ways and Means Committee from the further consideration of the bill in order to bring it before the House for a vote.

Finally, a year and three days later, we secured a vote on that piece of legislation. This House will recall that we worked hard to try to bring that legislation before Congress for consideration all during that time. The signers of the discharge petition will be found on page 2938 of the RECORD of last session of Congress. I was the first one from my State to sign that petition. We who have favored that legislation have been rather severely criticized by certain lines of thought, for expressing here and elsewhere our candid opinion regarding the benefits that would be derived from this legislation. Apparently every effort has been made to keep this legislation from coming before the Congress, and I think the repeal of the 145 signers to a petition, known as the discharge rule, was a step backward.

ADOPTING GAG RULE A BACKWARD STEP

The House went on record the first day of this session and repealed the rule that permitted this legislation to come before the last Congress. I am referring to the discharge rule, where 145 Members were required to sign a petition which would permit legislation to come before the House.

Mr. BLANTON. Will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. BLANTON. My colleague from Texas will remember that that bill was passed here in the House when amendments were offered from every direction, and that the friends of that bill did not permit a single amendment to be put on it. With that sentiment here in the House, my friend need not be uneasy at all about getting 218 signers to a petition to bring that bill out whenever the time comes for us to pass it. We will get the required number of signatures to bring it up in the House and plenty of votes to pass it.

Mr. McFARLANE. I hope the gentleman is correct about that, but daily we are reading in the newspapers statements emanating from certain sources, which I am afraid will make some of the boys a little bit weak about signing on the dotted line.

A look at the record will indicate that there are quite a few of the bandwagon boys who signed the last day the

bill was before Congress for signing. We had about 100 signatures on that petition for 6 months. Those last names were hard to get; yet when the bill came before Congress, there were 313 Members of this House, including most of the members of the Ways and Means Committee, who voted to discharge their own committee from consideration of that bill. Yet they would not vote it out of their committee. The vote at page 2938 of the RECORD was 313 against 104 to discharge the committee. Then when the bill was finally voted on, the House voted 295 to 125 to finally pass the bill. See page 4336 of the RECORD of last session.

Mr. BLANTON. Will the gentleman yield further?

Mr. McFARLANE. I yield.

Mr. BLANTON. To keep the record straight, the author of that bill, House bill No. 1, Mr. PATMAN himself, did not sign it until the last day?

Mr. McFARLANE. That is correct.

Mr. BLANTON. He did not sign it before, because he was waiting for an opportune time to take it up and pass it.

Mr. McFARLANE. Well, I do not know about that. The gentleman may explain that in his own time, if he feels it is necessary. I am not critical of the gentleman. I am speaking of the fight that we made to finally get that bill before Congress.

Mr. Chairman, at this time I desire to insert in the RECORD a copy of a letter I received from the National Economy League and my reply thereto.

The letters referred to are as follows:

THE NATIONAL ECONOMY LEAGUE,
New York, N. Y., December 15, 1934.

Hon. W. D. McFARLANE,
Graham, Tex.

MY DEAR CONGRESSMAN McFARLANE: With great respect I write to ask the nature of the impression that would be made upon you if the holders of the \$28,000,000,000 worth of United States Government bonds now outstanding should demand that you make a law requiring our Government to pay off the whole \$28,000,000,000 right away, although most of it is not due for many years to come. Would this impress you as a fair demand? If financially possible, would it be a wise and trustworthy protection of the interests of the whole American people whom you represent in the Congress?

If so, would you think well of trying to raise the whole \$28,000,000,000 at once by taxation, or trying to borrow it from somebody else, or avoiding both of these disagreeable endeavors by running the whole sum off the printing press in new additional money? You would have in mind that such a demand for immediate payment, if made upon you, would represent the insistence of thousands and thousands of little American depositors—all of them American voters—in the American banks which hold the bulk of the bonds.

I think I understand the impatience with which you have read this letter thus far.

But is there any difference, save in degree, between such a demand and the demand of some of the veterans of the last war that you pay off to them right away the bonus that is not due until 1945, 10 years away? What is the nature of the impression that this bonus demand makes upon you?

Now, the demand for immediate payment of the national debt is, thank Heaven, not likely to be made, but the bonus demand has been made and will be made again the moment the Seventy-fourth Congress, of which you are a Member, convenes 3 weeks hence. Immediate payment of this bonus, which was accepted by the veterans as an obligation due in 1945, and not in 1935, will cost the rest of the American people well over \$2,000,000,000. Will you take this out of us in taxes all at once, or try to borrow it from somebody else, or run it off the printing press in inflated money?

I think I understand the impatience with which you may look upon this bonus demand; and you and I both understand the impatience with which our hard-pressed American people will look upon the idea of paying a bonus to a favored few 10 years before it is due to them.

After all, how many of these 3,500,000 veterans ever got hurt in the war at all? Most of them are in perfect health today, and better off than any other class of Americans, yet already they get more relief than anybody else.

And now a \$2,000,000,000 bonus besides, to be paid right away—anything else?

Wishing you a very Merry Christmas, I am,

Yours very sincerely,

HENRY H. CURRAN, Director.

GRAHAM, TEX., December 19, 1934.

Mr. HENRY H. CURRAN,
Director the National Economy League,
280 Madison Avenue, New York, N. Y.

DEAR MR. CURRAN: I have your letter of December 15, in which you sarcastically take to task those advocating payment due the

soldiers on the adjusted-service certificate. If you will bear with me as I did with you in reading your letter, I will briefly state some of the reasons why the friends of the ex-service man cannot understand your attitude and those of your "paymaster."

Payment of the balance due on the adjusted-service certificate, as provided under the Patman bill, is common justice. The railroads, munition makers, clothing manufacturers, and all other Government contractors, during the war, received their bonuses through Government subsidy in cash immediately after the close of the World War, even to the extent of paying a bonus on contracts whether fulfilled or not. These racketeers, and their agents, many of whom are represented on your letterhead, took out of the Treasury in cash more than \$4,000,000,000, and now through the lobbying activities of those backing your drive, through a campaign of lies, vilifications, and abuses, are trying to stop the payment of the balance due on the adjusted-service certificate due to the man who "bared his breast to the enemy and held the line" while the blood-sucking profiteers became multi-millionaires as a result of their efforts.

According to the peculiar line of thought that you represent, this was common justice to the wealth of the country to be paid promptly in cash, pouring bonuses on unearned contracts, providing unreasonable profits, and you and your kind have done your best to deny the ex-service man an adjustment in his pay of \$1 per day, for honest, faithful service rendered for fighting on foreign soil or wherever necessary, and the soldier had no say in saying where he would fight; he was drafted and subject to the call of his country.

Recent disclosures have shown tremendous profits made by the Munitions Trust; similar investigations would show the tremendous profits made by every other line of big business carried on during the war, when more than 33,000 were made millionaires off the blood of the land, the same crowd you represent.

We were told in the last war that we were fighting a war to end wars, that democracy would not perish from the earth. We found upon examination, the concentration of wealth into the hands of about 150 families in the Teutonic powers was largely responsible for the last war. We returned home to find that the wealth of our country was concentrated into the hands of less than 100 families, and unless and until we can redistribute this wealth into the hands of the people and restore buying power, it is very evident that it will be a slow battle to reemploy our people.

You ask if it would be right to pay off the outstanding \$28,000,000,000 in Government bonds through the issuance of new money? I ask, How, under the present set-up, are the present overburdened taxpayers going to pay the more than \$800,000,000-a-year interest these coupon clippers are collecting on Government bonds? Yes, I think all of these Government bonds should be paid off on maturity through the issuance of new money, and that proper legislation be enacted to stop the issuance of any more tax-exempt bonds. It is unfair and unpatriotic that the wealthy of the Nation should thus escape paying their just part of our tax burden, and at the same time freeze credit and increase the cycle of unemployment. The Patman bill will not require new, additional taxes for payment; it will provide a needed medium of exchange, fairly and equally distributed throughout the Nation, placing it in the hands of the people. This will restore buying power at the grass roots where it is so badly needed and will start the wheels of commerce and industry and reemployment moving such as no other measure will do that Congress could enact.

Today we find that about 5 percent of our people own more than 90 percent of our wealth; that the 95 percent who own 10 percent of the wealth are paying more than 50 percent of the expenses of running the Government—National, State, county, city, and school. This unfair and unequal tax burden is becoming too heavy, and a more equitable distribution of the load should be made. I favor such a distribution.

In conclusion, in answer to your last paragraph:

"After all, how many of these 3,500,000 veterans ever got hurt in the war at all? Most of them are in perfect health today, and better off than any other class of Americans; yet already they get more relief than anybody else."

Let me ask you how many of the thirty-three odd thousands of multi-millionaires, to say nothing of the hundreds of thousands made rich during the war, faced anything more than talcum powder. Did any of them get hurt? Most of them still have their ill-gotten gains; in trying times such as these they should be made to carry their part of the tax burden.

Very truly,

W. D. McFARLANE.

THE SENTIMENT OF THE PEOPLE FAVORS IMMEDIATE PAYMENT

Since the last Congress we have had an election. The sentiment of the people, Nation-wide, has been expressed. I dare say there is not a new Member on this floor who does not come here favoring payment of the bonus. If there is, I pause to allow him to hold up his hand—some new Member who comes here who is opposed to the payment of the bonus. I see no hand.

Another body at this same time had an election and, according to newspaper dispatches, we find that every new Member of that body comes here favoring the payment of the bonus. Of course, we only know what we read in the

newspapers, as the saying goes. I mention that to illustrate the wishes of the people of the country who have spoken on this question.

WE NEED MORE BUYING POWER

I know and you know that we need in our country as we have never needed it before, more buying power. Our great leader in the White House, the President of the United States, in his message, has indicated that and has provided for the expenditure of more money, to put money into the hands of the people to increase the buying power, and to reemploy our people. That is right, and we favor that. People must live. I know and you know that credit has dried up; that it is needed today as it has never been needed before. The payment of the bonus now, in cash, in new money that the big bankers cannot control, will give us new and added buying power fairly and equally distributed, Nation-wide, where it will do the most good. In my district it will put more than \$5,000,000 into the hands of those veterans and their dependents. It will do the same thing for your district. That is money that is badly needed.

Mr. MEAD. Will the gentleman yield right there?

Mr. McFARLANE. I yield.

Mr. MEAD. The difficulty with the payment of the bonus, in the estimation of many of the Members of the House, is the question of the payment of the bonus. I wish the gentleman would pause for a moment, without passing over that phase of it, to explain just how we will finance the payment of the bonus.

Mr. McFARLANE. In answer to the gentleman, I would say that we are now borrowing from big bankers about \$112,000,000 a year and will do so until 1945. We will borrow from them and be paying interest out of the Public Treasury more than one-half the amount it will require to pay the balance due on the certificates. In addition to that, you saw from the chart which we just had before us when the gentleman from Virginia [Mr. Woodrum] was addressing us, where it is costing annually more than \$59,000,000 to take care of the salaries and expenses of the Veterans' Administration. By many it has been carefully estimated that more than \$500,000 is expended annually by this department in administration expense of this section of the Veterans' Administration for these adjusted-service certificates alone.

A few days ago the gentleman from Texas [Mr. Patman] said on the floor of the House that we are daily printing more than 4 tons of new paper money to give to the bankers of the country, and it is not considered inflation; that is sound money—and that is true. I ask, Mr. Chairman, if our Bureau of Printing and Engraving can print this money for the bankers with the credit of the Government of the United States back of it, why cannot the same plant print new money under H. R. 1 and pay this debt that this Government in 1925 recognized they owed these veterans? Why can they not use this same service to pay this debt and at the same time save this tremendous overhead and expense? Such payment can be made without a bond issue, without any increase in taxes, without any increase in interest, without increasing the size of the Budget, and without increasing the national debt.

Mr. MEAD. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. MEAD. The money the gentleman is talking about is supported, as I understand it, by a metallic base and a proper proportion of gold bonds.

Mr. McFARLANE. That is true of the money we will print under the Patman bill providing for full payment of the balance due on the adjusted-service certificates, for there is more than enough gold reserve in the Treasury today to take care of the issuance of in excess of \$8,000,000,000 of new currency. And the money issued under the Patman bill will be just as sound as any of our currency now in circulation.

[Here the gavel fell.]

Mr. WOODRUM. Mr. Chairman, I yield the gentleman from Texas 3 additional minutes.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield? Mr. McFARLANE. I yield.

Mr. COCHRAN. The gentleman stated that his purpose in rising was to "keep the record straight."

Mr. McFARLANE. That is what I am trying to do; yes.

Mr. COCHRAN. Does the gentleman think he is keeping the record straight when he implies that the only issue in the last campaign was the payment of the bonus certificates? His statement so indicated.

Mr. McFARLANE. Not at all. I am referring to the record made in the last Congress regarding payment of the bonus and the record made last year when the payment of the bonus was made an issue in any congressional campaign.

Mr. COCHRAN. The real issue in the last campaign was support the President and complete the recovery program, was it not?

Mr. McFARLANE. That may have been the issue in the district of the gentleman from Missouri.

Mr. COCHRAN. It was the issue in my district, and it was the outstanding issue all over the United States.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. ROBSION of Kentucky. I understood the gentleman to state that his district would receive \$5,000,000 if the bonus were paid, as he advocates.

Mr. McFARLANE. That is correct.

Mr. ROBSION of Kentucky. What sum, as an average, would each soldier get out of the bonus?

Mr. McFARLANE. It would be about \$500 each.

Mr. ROBSION of Kentucky. I may say to the gentleman from Texas that this was an issue in my district, and I came here with a majority of 31,000. I am going to vote with the gentleman for the bonus.

ADJUSTED-SERVICE CERTIFICATES LONG PAST DUE

Mr. McFARLANE. Mr. Chairman, there are those who contend that the balance due on the adjusted-service certificates is not yet due; but when we consider the fact that it was 7 years before Congress recognized this as a just debt and one that should be paid, and the further fact that in providing for the payment, not of what the veteran wanted but only what he could get, they overlooked including interest covering these 7 years, although they include interest on all income-tax refunds, depreciation allowances, and so forth, from date return filed, regardless of date claim was filed. If we give the veteran the same rights as given these large income-tax payers, who have received more than \$4,000,000,000 in tax refunds under Mr. Mellon's regime, these considerations would make the adjusted-service certificates due, I believe, October 1, 1931, or some date near that time. So the certificates are more than past due. They ought to be paid. They constitute a just obligation of the Government, and now is the time they should be paid, a time when we need buying power most.

RESTORE BUYING POWER—REEMPLOY OUR PEOPLE

Now is the time when the payment of this money will help reemploy our people and start the wheels of commerce and industry driving in the right direction. It will give an impetus in this direction greater than any other piece of legislation we could enact at this time. I trust that the Ways and Means Committee will give early consideration to this legislation and will report it to the House, so we can vote upon it and send it to the Senate.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. McFARLANE. I yield.

Mr. BLANTON. Suppose we do cash their certificates before they are due and allow the interest prematurely—would they be getting any more than was due them?

Mr. McFARLANE. Not at all; and they are a class of people who can be depended upon to defend our flag under all conditions.

Mr. BLANTON. And when we pay them their certificates, they will not be getting any too much, so all this talk about paying them prematurely is making much ado about nothing.

Mr. McFARLANE. They will not be getting enough when compared with what big business has received. [Applause.] [Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I had expected to touch upon a number of issues this afternoon, but I just read in the committee report the statement that \$426,000 will be needed for reciprocal trade agreement work in 1936. I confess I am a protective Republican and that I believe in tariff protection, particularly for the American wage earners, in order that they may have a job at the American standard of wages and of living to which they are entitled and accustomed to in the past.

I opposed giving to the President the right to tamper and bargain with the tariff, as revenue legislation belongs to Congress. But at that time I made the statement that I looked with favor upon reciprocal trade agreements between the United States and South and Central American countries, because they are our natural markets and there lies our geographical and logical trade expansion. We ought to do everything we can to promote trade between South and Central American countries and the United States, between this country and the entire American hemisphere along the same lines as was done by Great Britain at the Ottawa Imperial Conference. I am willing to make any reasonable concessions to promote our trade with Latin American countries. These reciprocity treaties are now being negotiated. I expect that considerable goodwill come out of these bargaining treaties between South America and our own country, and I am willing to give a great deal of credit to Assistant Secretary of State Sumner Welles for his sincerity and his desire to promote our trade relations with South and Central American countries, and particularly with Cuba where he was our Ambassador and rendered distinguished service.

I make this statement as a premise to what I am going to say now, because I find that the only trade treaty that has finally been consummated—the one with Cuba—has failed to provide adequate protection for our textile exports to Cuba, our second largest textile export market. Unless we secure the cooperation of the Cuban Government, we will lose practically all of our textile exports there to competition from Japan, a country that buys almost nothing in return from Cuba.

I want the Members from the South to follow me just as much as I should like to have the attention of those from the industrial North and East.

Mr. GREEN. Will the gentleman yield?

Mr. FISH. I yield to the gentleman from Florida.

Mr. GREEN. May I say that I am sympathetic with the gentleman in his efforts because we realize that our hope is in the South American trade, and two of the things necessary to stimulate this trade are cooperation in the building of a canal, which is sponsored by one of the Members from Massachusetts, across Mexico and a canal across my own State. We are willing to go with the gentleman.

Mr. FISH. I cannot agree with the gentleman on the advisability of building a canal in Mexico. I want the gentleman to go along with me on the textile matter. I believe if we are going to have money to spend, let us spend it in the United States and not in any foreign land. [Applause.]

Mr. GREEN. Florida is a part of the United States, as the gentleman knows.

Mr. FISH. And a good part too—but not Mexico.

Now, what has happened? The textile industry is the second largest in the United States. It employs some 430,000 men; and, in connection with the textile industry, of course, you have the cotton fields of the South. Since this administration came into power, a new economic factor has arisen in the world, one which the free traders did not have to consider 2 or 3 years ago. That is industrialized Japan, with a labor scale of 20 cents a day, and where the cost of living is 5 or 6 cents a day. They have industrialized their textile mills. They have efficient, up-to-date, modern mills with the best possible machinery, operated by skilled

labor, equipped for mass production, and are today flooding the markets of the world.

Japanese textile products are destroying our textile export trade and bringing ruin and unemployment to our textile industry, and more particularly to the export branch of it, which takes care of the surplus and is largely responsible for making it profitable.

Up to this time the Philippines has been our greatest market for our textile goods. A year or so ago we did about 75 percent of all the textile business there. Japan has succeeded within the last year, with its mass production and cheap-labor costs, in driving us out and wrecking our exports. Japan is now doing about 75 percent, and we are rapidly losing this market.

I shall speak on the Philippine situation at length at a future date and state the reasons for this deplorable development and make clear who is to blame unless immediate steps are taken to afford adequate protection to our own textile industry. I do not believe that this great industry will permit itself to be sacrificed on the altar of free trade to promote Japanese interests and employment. Other nations, including Great Britain, are protecting their textile exports against Japanese competition, and the United States must do likewise.

The same thing has happened in Cuba since this trade treaty went into effect. Our textile exports have dwindled steadily away and unless Cuba and other South American countries with which we consummate these trade agreements act in order to protect our textile industry we will lose all these natural markets. Not so long ago our textile exports amounted to \$100,000,000 a year. It has now dwindled down to possibly \$10,000,000 a year, and we will lose all of that unless speedy action is taken to protect our textile exports to South and Central American countries from ruinous competition from the new economic Japanese menace.

I do not question the sincerity of the State Department. We have at the head of the State Department a very distinguished and able man, a former Member of this House, but an out-and-out free-trader. He has under him a number of visionaries who believe in breaking down economic barriers throughout the world. The nations of the world have gone mad on nationalism and protection, and we are standing alone against them. This great country of ours, built upon protection and the protective principle, is now saying to the rest of the world that we propose to break down all economic barriers between nations at a time when every other country is setting them up and trying to become self-contained. I am against every proposed trade treaty with European nations as being against the interests of American labor and destructive of American industry.

Unless something is done soon there will be 35,000 more unemployed in the textile industry within a short time and approximately an equal number in the cotton fields, on the railroads, and in connection with shipping and other industries affected, due to the loss of our legitimate and natural markets in the Philippines and Latin America. This great industry does not propose to be sacrificed to Japanese interests without a political fight that will be felt in every northern, eastern, and southern State and may end up by these States joining forces with the beet-sugar States of the West to kick these bargaining tariffs out of the window. They have as much reason to fight to preserve their export markets as the American farmer has. Let me say to the gentlemen from the South that Japan, which has been buying vast quantities of cotton in the past, is now buying 75 percent of its cotton from India and only 25 percent from the South, mixing the better cotton of the South with the poorer and cheaper cotton from India.

This is not a partisan matter. This is a matter affecting the second greatest industry in the country and the time has come to consider the situation and ascertain all the facts. It is time for the people of the industrial North and East, including such Southern States as Virginia, Tennessee, North Carolina, South Carolina, and Georgia, to join with

the cotton States in demanding that the textile industry be protected, so that it may compete with Japan, particularly in the South and Central American countries and the Philippines. The Philippines was our greatest single market, Cuba our second, and then Colombia, and the rest of the South and Central American countries.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. FISH. Mr. Chairman, I had not proposed to speak on this question at the present time, but in view of the fact that this bill carries some \$426,000 to consider these reciprocal trade treaties, I thought it was time that the facts be presented on a nonpartisan basis so that those who are interested from Southern, Northern, and Eastern States may combine and find out what actually can be done to protect their own interests and the welfare of the people living in their own congressional districts.

The gentleman who preceded me spoke on the bonus. I opposed the bonus in the last session of Congress on the ground it would take us off the gold standard and create inflation. We are already off the gold standard so that we do not have to bother about that.

The question is whether \$2,200,000,000 will not cause inflation when you ask that it be paid through the printing-press method. For this reason I introduced yesterday a compromise measure, and I did so for the reason that we know very definitely, whether we like it or not, that the President proposes to veto the Patman measure or any similar measure, and it does not serve any good purpose or help the veterans or anyone else simply to put through legislation and have it vetoed, then have it sustained in the other body if it is not sustained in the House of Representatives.

The measure I presented provides that the adjusted-service certificates be paid in installments of 20 percent, beginning on July 1, 1935, and for a period of 5 years. The first installment may be paid and financed without any taxes, without any increase in the Budget, and without any inflation. We have paid to the veterans on loans and interest on those loans \$1,700,000,000; \$1,300,000,000 has already been paid through annual appropriations by the Congress into the sinking fund to pay the certificates. The \$400,000,000 balance was taken out of the reserve fund of the veterans' life-insurance set-up, which was sufficient to provide for the loans up to 50 percent to the veterans and to take care of the interest payments. There is due to the veterans at the present time \$1,700,000,000 without reference to interest payments.

My suggestion is that you take the \$160,000,000 left in the Veterans' Administration and do away with the right of the veteran to borrow 50 percent. Ten percent of the veterans did not borrow this 50 percent, and if you take away that right as of July 1 of this year, there will be another \$250,000,000 available. This \$250,000,000, plus the \$160,000,000 in cash, which is there, will finance the first installment without any necessity whatever of digging into the Treasury for any more money at the present time.

I am making this statement now because I honestly believe the only thing that can be done in this Congress for the veterans in need of relief in the way of a bonus will be a compromise and that a half loaf is better than no loaf at all.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. FISH. I have only 2 or 3 minutes and I would rather not.

The gentleman from Texas [Mr. BLANTON] yesterday stated he thought the committee that investigated communism, Communist propaganda and activity, had accomplished very little and had wasted the Government's money, or words to that effect.

[Here the gavel fell.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. MOTT. The gentleman has 2 more minutes. Will he now yield?

Mr. FISH. I have only 2 minutes and I cannot yield.

I would not care, so far as I am concerned, just what the individual view of the gentleman from Texas is about the usefulness of that committee.

Mr. BLANTON. Will the gentleman yield?

Mr. FISH. The gentleman is a good friend of mine, and I am making this statement because on that committee were two distinguished Democrats. There were only five members on the committee, and two were very able members of the Democratic Party, Judge Edward E. Eslick, a member of the Ways and Means Committee, and Representative Robert S. Hall, who now holds an important position in the Federal Government. Out of respect to them and the other members of the committee, I want at least to state my view that no money was ever better spent and no committee of Congress has ever submitted a more comprehensive report and, I believe, ever returned as much money unspent as this committee did.

Mr. BLANTON. Will the gentleman yield to me to pay a compliment to his committee?

Mr. FISH. Out of the appropriation of \$25,000 which was allotted to us by the House, we returned to the Treasury \$6,000. We did not engage the services of a single lawyer. We made a report which evidently is approved by the country, because over 50,000 copies of the report have been bought by the public and another 50,000 have been issued by the Congress of the United States. For instance, the Associated Farmers of California, at San Francisco, have ordered within the week a reprint of the report for 5,000 copies at their own expense. Although the report was made 4 years ago, there is scarcely a day that goes by that some Member of Congress does not come to my office for a copy of House Report No. 2290 on Communist activities in the United States. It is still the most up-to-date document on Communist propaganda and activities. Its real value is educational, as it exposes the principles and aims of the Communists and suggests that the best way to combat the spread of communism is merely to expose its purposes and objectives to the American people, who still cherish their freedom.

Let me say further to the gentleman that he charged me with failing to put through the Congress the legislation which we recommended, but ever since our committee reported there has been a Democratic House of Representatives, and it was utterly out of the question for me to introduce, with any hope of success, any legislation that we recommended.

Judge Eslick and Representatives Hall and Jeffers did introduce measures to carry out the suggestions of the investigating committee, but the Democratic Congress failed to enact them into law. I would welcome the cooperation of the gentleman from Texas [Mr. BLANTON], who has great energy and ability, in securing favorable action from his own party on any of the following recommendations made by our committee and signed by 2 Democrats and 2 Republicans, Edward E. Eslick, Robert S. Hall, Carl G. Bachmann, and myself, most of which have recently been endorsed by the following national organizations in resolutions to Congress: The American Legion, Veterans of Foreign Wars, United States Chamber of Commerce, the American Coalition of Patriotic Societies, Junior Order United American Mechanics, Merchants' Association of New York, and some of them by the American Federation of Labor and a host of other organizations.

RECOMMENDATIONS

(1) Enlarging the authority of the Bureau of Investigation of the Department of Justice for the purpose of investigating and keeping in constant touch with the revolutionary propaganda and activities of the Communists in the United States, and to provide for additional appropriations for skilled agents to devote their entire time to investigating and preparing reports on the personnel of all entities, groups, individuals, who teach or advocate the overthrow of the Government of the United States by force and violence.

(2) Strengthening immigration laws to prevent the admission of Communists into the United States, and providing for immediate deportation of all alien Communists.

(3) Provide for additional appropriations to the Bureau of Immigration for vigorous handling of deportation cases.

(4) Amend the naturalization laws so as to forbid the naturalization of a Communist.

(5) Amend the naturalization laws so as to cancel the naturalization certificate of a Communist.

(6) Deny reentry to the United States to an alien who has visited Russia to secure training in communistic doctrines.

(7) Amend post-office laws to declare nonmailable all newspapers, magazines, pamphlets, circulars, etc., published, written, or produced advocating revolutionary communism.

(8) Amend interstate commerce laws to prohibit transportation of newspapers, magazines, pamphlets, circulars, etc., advocating revolutionary communism.

(9) Enactment of Federal law to prosecute Communists or other persons, organizations, newspapers, etc., in the spreading of false rumors for the purpose of causing runs on banks.

(14) That the Communist Party of the United States of America, section of the Communist International, be declared illegal, or any other counterpart of the Communist Party advocating the overthrow of our republican form of government by force and violence, or affiliated with the Communist International at Moscow, be declared illegal; and that the executive authority of each State and the legislature thereof be informed of the revolutionary principles and objectives of the Communist Party of the United States of America, section of the Communist International, and be requested to take appropriate action to have said party excluded from or denied recognition as a political entity.

Mr. WOODRUM. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. SWEENEY].

Mr. SWEENEY. Mr. Chairman, the distinguished gentleman from Virginia [Mr. WOODRUM] a short while ago called your attention to the fact that a great deal of the debate in the Committee of the Whole has been devoted to the matter of the Home Owners' Loan Corporation. I am going to take advantage of the time allotted to me to say something on that subject, because I think it is very important that the Members of the Congress, who have had their constituents coming to them by the hundreds during the last year, should become awakened to the situation.

As a Member of the Seventy-second Congress, it was my privilege to speak and vote for the legislation which created the Federal home-loan bank. This institution was designed to prevent foreclosures by aiding distressed property owners through building and loan associations. Due to the collapse of the building-and-loan associations throughout the country and their failure to meet the requirements of the act, this legislation became inoperative in that it failed to meet the emergencies then existing.

The Seventy-third Congress passed legislation creating the Home Owners' Loan Corporation, permitting the distressed home owner to save his home from foreclosure, providing he met the qualifications of the act. By this method of refinancing, the distressed home owner has secured long-term credit at a rate of interest not to exceed 5 percent.

The Home Owners' Loan Corporation was brought into existence because of the emergency confronting the Nation. Hundreds of thousands of our best citizens awoke one day to find themselves out of employment, in many cases their life savings wiped out, due to the manipulation of crooked bankers. In their straitened circumstances they were faced with the cruel process of foreclosure, which meant the destruction of equities in their homes, and the equities represented years of struggle and sacrifice.

In the entire recovery program, in my opinion, no more salutary piece of legislation was passed by the last Congress than that which created the Home Owners' Loan Corporation. Too much praise cannot be showered upon the administration for taking the initiative that gave to hundreds of thousands of our substantial citizens the right to save their humble homes. It is my firm belief that this legislation did more to avert riot, insurrection, and possibly revolution, by preventing the promiscuous foreclosure against the homes of our people, than any other measure adopted by Congress.

For the good this legislation has accomplished, I give thanks. For the abuses growing out of the administration of the act, I have nothing but a vigorous contempt. I shall offer to this Congress a resolution to investigate the various officials responsible for the irregularities, delay, discrimination, and graft incident to the administration of this efficacious piece of legislation.

The trouble started shortly after the act was extended to permit banks in the course of liquidation to transfer their mortgages to Uncle Sam, through the medium of the Home Owners' Loan Corporation. In many thousand of cases the

individuals were not in distress. I do not question the legal right of the banks to operate on a wholesale basis in transferring the mortgages to which I refer, but I maintain it was the intent of Congress that only those individuals who were in distress and whose homes were either in foreclosure, or foreclosure was imminent, should become the beneficiaries of this legislation.

It is common knowledge, and if the resolution I refer to is authorized by this Congress, I shall present specific cases where individuals not in distress were called in by certain banking institutions and urged to unload their mortgages on the Home Owners' Loan Corporation. I am prepared to prove in many cases that these loans were saleable assets. The applicants were not in distress, the interest, principal, and taxes paid to date, and the mortgagor satisfied to go along and make his payments to the institution that gave him the loan in the first instance. The total wholesale loans—that is, loans made by these banks regardless of whether the individual was in distress or not—according to figures obtained from the Home Owners' Loan Corporation, amounted to \$349,449,665, representing 122,881 mortgages. Through the wholesale division 79.5 percent of the cases have been cleaned up; whereas, in the individual cases, which represent to date 721,962 mortgages, valuing \$2,148,060,491, 56 percent of the individual cases have been closed. These figures demonstrate conclusively that the Home Owners' Loan Corporation paid a great deal of attention to the applications wholesaled through the banking institutions, thereby discriminating against that class of individuals for whom the act was created.

At this time I can speak only for the Cleveland district, and present to this body this information: 8,000 loans have been approved in the Cleveland district, representing the sum of \$30,000,000. There are now pending 16,000 applications from distressed home owners who have been notified within the past month that they must look elsewhere for the relief necessary to save their home from foreclosure. I charge that there is discrimination in favor of the banks; that many needy applicants have not received any consideration, and they will not receive any consideration until Congress definitely puts a stop to the practice of catering to a favored class. The Union Trust Co. of Cleveland, a bank that crashed because of the pastime of certain bank officials playing with other people's money, was privileged through the beneficence of the Home Owners' Loan Corporation to close 6,317 cases out of 11,711 applications filed. The Guardian Savings & Trust Co., another bank that crashed because of the propensity of its officials to gamble with other people's money, liquidated 1,634 mortgages out of 3,990 applications filed. I daresay that this condition can be shown to exist in every congressional district, if investigation is had concerning this subject. I do not believe that there is a Congressman in this House who has not been beseeched by hundreds of his constituents during the past year demanding to know why they were not receiving consideration; claiming that after filing applications they never received any report whatsoever except a bill for appraisal fee, and that came after consideration was denied or ignored entirely. I am not defending that class of home owners whose property fails to meet a true appraisal sufficient to justify the loaning of money to prevent foreclosure, but I have in mind many cases, and I believe all of you have had similar experiences, where the applicant's property has been subjected to 3, 4, and more appraisals before a definite figure can be agreed upon as to its true value, and where despite the fact that the mortgagor is ready and willing to accept Home Owners' Loan Corporation bonds, the title of the property being flawless, no result is forthcoming. I am prepared to show in many cases, if we get an investigation of the administration of this Corporation, that the board of directors, or those in charge of administering the act, adopted regulations directly in conflict with the intent of Congress.

Some of the regulations were to the effect that before an individual could qualify for a loan he must apply to three money-lending agencies, and in turn be denied relief from

these agencies; that he must procure cosigners on the mortgage note. These regulations were never intended by Congress when it created this legislation. If so, Congress would have specified accordingly in the act before the law was passed.

Mr. WHITE. Will the gentleman yield?

Mr. SWEENEY. I will yield to the gentleman.

Mr. WHITE. I want to correct the gentleman's statement to this extent. In my State the administration of this Home Owners' Loan Corporation has been a credit to the national administration and a very effective agency.

Mr. SWEENEY. Yes. We know that there are many conscientious men in that Corporation, upon which I would not cast any aspersion, but we also know that there are many incompetents.

Evidence will be forthcoming, if we get an investigation, of individuals being discriminated against because of their political faith and because of their lack of political influence. The funds made available to the Home Owners' Loan Corporation were allocated to relieve distressed property owners. The act did not say you had to be a Republican, Democrat, a Socialist, or of no political belief, nor did it specify you had to have political influence to receive just and fair treatment. I do not believe the President of the United States nor this Congress will tolerate any such procedure, and it is for the purpose of asking your cooperation and support before any measure comes before this body to increase the base of the Home Owners' Loan Corporation to take care in a large part the pending applications that we clean out the officials responsible for the abuses to which I refer and put men in charge of these various agencies who have the intelligence and experience to warrant clean administration of this law. Men have been selected and placed in charge of State and local agencies of the Home Owners' Loan Corporation who never saw a mortgage in their life, and in some cases their only qualification for the responsible position they hold was the endorsement of some ward or district leader.

The problem is one that concerns all of us. I appreciate that each one is hearing from the folks back home on this subject, hence I ask your cooperation and support of a resolution designed to investigate activities of this department of the Government. [Applause.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, I was a member of the subcommittee during the hearings on this bill. It was a temporary assignment and my successor has been designated. I did not know this until the chairman of the whole committee announced it before his group yesterday. So my reaction from that experience is not so important as is that of the gentleman from Virginia or the gentleman from Massachusetts.

However, I have a few observations I want to make at this time. I want to say, in answer to the gentleman from Virginia, who has been a delightful chairman and who is one of the ablest men on either side of the House, I hope some day he will be Speaker if the Democrats are to continue in power. I want to say, in answer to his statement that the policies have been decided over there, that that is a sad thing. It is true that if we had a larger minority it would be better for the Government.

Naturally, we have been sort of cowed; we are timid, afraid to propose amendments because we know it is futile.

We might propose amendments if we had any chance at all of carrying them. I view with regret this added observation, and I speak of it particularly because the gentleman from New York [Mr. FISH] spoke about the reciprocal tariff.

It is true that this inevitable surge of bureaucracy is illustrated here better than any other place. We gave the President full power to do things that the Tariff Commission did.

Yet the Tariff Commission came before us and asked for an increase in personnel because of the new tariff. The State Department has asked for increased personnel to do the same thing also. The Commerce Department has asked

for an increase of personnel to do those things, and we now have a bureau for an import and export bank, of which my good friend George Peak is at the head and which is designed to do those things too. Everybody is seeking to increase the power of the President. That is a thing which I view with regret. All of them have increased their personnel because of this reciprocal tariff act. Think that over. I am not talking as a carping Republican this afternoon. Let me be an American for a little while, particularly about some of these things. These different groups are coming before you. We have 30 of them.

The second thing I shall mention which struck me with concern is that practically every one of these new set-ups has a publicity bureau. I found one of these independent set-ups which admitted that it did not have any publicity bureau. Mr. Kennedy, of the Securities Commission, admitted that they did not have one. Even this import and export bank, which deals secretly with nations for trade purposes, has a publicity bureau. Think of that! Just examine these things as they pass. I would view such things with regret, whether my party or your party might be in power. We are tolerant of these emergency set-ups, because they are doing a lot of good in spite of many of the things they are doing which are of no value.

The real problem will face us as that time comes when we do not need to make political places for jobs. We tolerate them today because they are feeding somebody, possibly hungry children. We tolerate a lot of them because they provide positions, but when prosperity comes, and I think and believe it is coming, someone will have to reduce the personnel of these bureaus, and it is going to take men and women with courage to perform that duty.

Permit me to make these two constructive suggestions out of my short experience on this subcommittee. I do not see why we cannot use the clerks in the Committee on Appropriations in the off season to investigate these different bureaus and commissions and bring us here, as our representatives, the result of their contact and how they have seen things. These boys are high-class fellows. We keep them in the background. We want to extol ourselves and what we know about all these things, but really we would be fairly helpless if we did not have these boys, these expert boys in that committee, to help us, especially the newer ones on the committee. We have to depend on them all of the time for the information that we have. Why cannot we send them down to these places and let them bring in a report to us?

The second suggestion is this: The President issues the Budget. We are more and more falling in with the idea of standing by the Budget. We are commissioned from the people to appropriate the money, but are not allowed to go down there and sit in with the Budget Director. Their proceedings are not public. There is no printed record of the hearings on the Budget with these different bureaus and commissions and there is no way by which you can find out what goes on down there. No Member of the House or Senate Committee on Appropriations can go there and sit in. If we could bring that thing about so that men could be designated from the House Appropriations Committee to go and sit with the President's Budget Bureau hearing, I think it would be a fine thing for the country.

I yield back the remainder of my time.

Mr. WOODRUM. Mr. Chairman, I ask unanimous consent to revise and extend my remarks made this afternoon and to include therein certain charts, and so forth.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOODRUM. Mr. Chairman, I now yield 5 minutes to the gentleman from Ohio [Mr. HARTER].

Mr. HARTER. Mr. Chairman, during the past few days, various Members have expressed themselves upon the administration of the Home Owners' Loan Corporation and the necessity of continuing the activities of this governmental agency.

Those of us who were here during the Seventy-third Congress know that the act creating the Corporation and

granting to it certain powers, was designed primarily as a relief measure. We knew of the extreme distress among home owners all over the country; we were treated to the spectacle of tremendous deflation in real-estate values, and we saw countless home owners, who had lost their jobs or whose income and wages had been seriously curtailed, unable to meet the payments upon their homes and many of them losing them through forfeiture and foreclosure.

To give these distressed mortgagors an opportunity of protecting their equities in their homes, in many instances the savings of a lifetime, we created the Home Owners' Loan Corporation.

We fully intended and expected that it would be administered as a relief measure. We would not as a government have gone into the business of making legal loans unless there was distress that could not be remedied by private loaning agencies. We expected those who were placed in positions of responsibility in its affairs to conduct its activities sympathetically and to the end that the relief intended by Congress would be afforded the citizen.

My district is one situated in northeastern Ohio—a highly developed, industrial section of the country; a district in which the population is largely urban. Perhaps there was no other part of the Nation in which a sympathetic administration of the Home Owners' Loan Corporation was more necessary than in my own district. A great many applications were filed and many loans were made.

For nearly a year after the effective date of the act, the Ohio office managed to function in a very creditable manner. But late in the spring of 1934, the Washington office of Home Owners' Loan Corporation began to impose conditions and restrictions upon the making of loans; requirements for the granting of loans were put into effect which were entirely outside the language and the spirit of the act as passed by Congress. We found the Home Owners' Loan Corporation becoming a bureaucracy.

Let me quote from a letter received from one of the attorneys connected with the Home Owners' Loan Corporation in an Ohio county, a man about 40 years of age, who is an intelligent, conscientious, ethical, and well-thought-of lawyer. He says:

Since assuming the position of legal counsel for the H. O. L. C. of this county, I have worked night and day, holidays, and Sundays, having always in the back of my mind that there was an opportunity for me to make a record to which I could later point with pride and at the conclusion of the H. O. L. C., I could report back to you that my administration of this trust was at least to myself very satisfactory. But as time went on and I encountered the various redtape procedures and the continual change of policy by the H. O. L. C., I despaired of making a record and then only desired to preserve to myself the reputation which I felt that I had built up in the county as an efficient attorney at law.

No longer was the act administered for the purpose of affording relief to the distressed home owner. Appraisals made by local officials, familiar with the neighborhood and values in their own communities, found no favor in the eyes of the bureaucrats who administered the act at Washington. Appraisers from the outside were sent in to the various districts, who never liked the appraisals locally made, but seemed to find delight in scaling down those appraisals so that the distressed home owner could not qualify for a refunding of his mortgage.

The same attorney quoted above, in talking of the juggling of appraisals by agents of the Corporation, says:

Many of our appraisals were cut as high as \$2,000 to \$3,000 on properties originally appraised for around \$6,000 and then later cut by the State further, which indicates that the policy has been adopted by someone in Columbus or Washington to cause files to be rejected by the applicant or present mortgagee rather than by the Home Owners' Loan Corporation by means of slashes in appraisals beyond the point where the banks could afford to accept the cut. Either this or our appraisers did not know their business, and I would say that any one of the three county appraisers are leaders in the county and the price they fixed represents the true value of the property.

If more bonds are appropriated by Congress at this session, I believe that all loans that have been rejected because of drastic appraisal cuts should be reinstated and be given a chance to redeem their property because most of them have faced and are now facing foreclosure and will eventually lose their homes. I

feel sure the appraisal situation is due to a policy requirement and cannot be blamed on any individual or group of appraisers.

Relative to the retroactive rules and regulations which compel us to rework the files previously worked under old rules and regulations, I believe that this comes from and is made necessary because of rules and regulations coming out of Washington.

So we can readily see why both the distressed home owner and the mortgagee, who loaned him the money, have lost all faith in the Home Owners' Loan Corporation, and it is not surprising the number of foreclosure actions which are being filed at the present time.

I am informed there are now pending in the courts of my home county, Summit County, Ohio, 5,000 foreclosure suits. In November 1934, 400 suits were filed, and the December filings, while not available to me, are at a greater rate.

I am advised by telegram this morning that a further stop order has been issued in Ohio to the effect that all home loans in which the State appraisal is dated after November 15, 1934, shall not be considered for closing.

Thus we see that loans have practically ceased and what had once been one of the most valuable assets of the Roosevelt administration became one of its greatest liabilities.

There are thousands of applications of eligible, distressed mortgagors on file, and when the public was informed upon November 15, 1934, that no applications could be considered except those in the hands of the attorneys, there arose a tremendous storm of protest. Is there any reason why John Smith, who was fortunate and was able to have his distressed mortgage refunded, should be preferred over his neighbor, Richard Brown, whose application may have been on file for months and who may be equally deserving, but who now has no opportunity of obtaining a loan through the Home Owners' Loan Corporation unless this Congress acts?

I made a trip into every county in the congressional district. I talked with distressed home owners, with business men, with bankers, with representatives of mortgage companies and building-and-loan associations, and I found not one single person who favored a discontinuance of the Home Owners' Loan Corporation. They all decried the inequities and the burdens that had been placed upon those attempting to obtain loans, but they all expressed themselves that if the bureaucratic control over the making of loans, exercised by the Washington office, could be removed, it was the plain duty of Congress to authorize the Corporation to issue additional bonds so that the work of relief might go on.

Banks, private loaning companies, are not ready to carry the burden of making loans to these distressed home owners. It is our duty, so long as that condition exists, to see that the Corporation is clothed with adequate financial authorization to carry on.

The institutional amendment, which Congress adopted to the Home Loan Act last April, which permitted banks and institutions in liquidation to refund mortgages held by them, whether the individual mortgagors were distressed or not, was so administered as to offend the public. While this amendment has some support in reason and was designed to thaw the frozen assets of closed banks, so that depositors might eventually be helped, fairness would dictate that distress of the individual mortgagor should be the sole test of eligibility for refund.

In my community many mortgages held by banks in liquidation were peddled to the H. O. L. C., where those owing the mortgages by no stretch of the imagination could be said to be in distress.

A prominent and well-to-do citizen has a sizable mortgage upon his well-kept-up and beautiful home. He has paid his interest and taxes and is not in arrears in his payments, nor is he in any manner distressed as far as his mortgage is concerned. Yet because that mortgage is held by a liquidating bank under the amendment of 1934, his mortgage is refunded, even though it may amount to \$10,000 or \$12,000 or more, and numerous persons who are in the greatest distress, although their mortgages may amount to only \$1,000 to \$2,000 each, are told they can have no relief.

for their mortgages are not held by liquidators and no further bonds are available to refund their mortgages.

Evidently most of us did not realize how this amendment was to work out, and the hardships it would entail to those private borrowers whose obligations were not held by closed banks.

The sole test of eligibility should be the distress of the individual if we are to get back to the fundamental purpose which prompted the enactment of this legislation originally. When we do adopt an amendment authorizing additional bonds, let us limit the powers of those who will administer it, and let Congress fix the rules of eligibility of the borrower. Take from the Home Loan Board the power to override the intent and language of Congress, and make this act in truth and in fact a measure which will bring real relief to thousands of our fellow citizens, whose mortgages are in distress and who will lose their homes unless we act and act speedily.

There are already pending several bills, one of which I introduced, authorizing the issuance of a further substantial amount in bonds. The authorizations in these various measures range all the way from \$750,000,000 to \$3,000,000,000. Let us, my colleagues, hope that the Banking and Currency Committee of the House will give early consideration to these measures and that one be brought to the floor of the House, carrying with it an authorization of sufficient bonds to insure the making of loans to all distressed home owners who are eligible and who are about to lose their homes unless we act.

Many of you, no doubt, little realize what it means to those who have worked for years and invested their savings in a little home. Are we going to stand by and see these people lose their homes under this further wave of foreclosures which has just started. I do not believe you will, for I think there are many of us who are alive to what is going on and to the urgent necessity of continuing, for the time being, the Home Owners' Loan Corporation. [Applause.]

Mr. WIGGLESWORTH. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. TAYLOR].

Mr. TAYLOR of Tennessee. Mr. Chairman, I have requested this time to bring to the attention of the House a communication which I have received from Mr. J. W. True, a constituent of mine, who is an enterprising and progressive business man residing in Monroe County, Tenn. In the communication to me he enclosed the polls of the votes taken at a cotton gin in Monroe County on the proposition of the continuance of the Bankhead cotton bill and also the Hog, Wheat, and Corn Processing Act. Monroe County is the only county in my congressional district that produces cotton to any appreciable extent. According to the poll taken at this cotton gin, 343 cotton producers participated. The vote stood 341 against the Bankhead Act and 2 in favor of the Bankhead Act. [Applause.] On the proposition of the processing tax on corn and hogs and wheat, 165 farmers participated, and 165 farmers voted against the continuance of that act. [Applause.] These votes, Mr. Chairman, were a registration of the real sentiment of these farmers resulting from hard and oppressive actual experience. These polls were conducted with solemn formality, free from ballyhoo, banners, and brass bands, and without bureaucratic compulsion or interference, each farmer signing his name to the polls.

In this connection I might say that I voted against the Bankhead cotton bill because I thought it was unsound and unworkable, and my observation and experience with the operation of the act has confirmed me in that opinion. It is not only unsound and unworkable but results in a terrible hardship and imposition on the farmers. [Applause.]

Mr. WOODRUM. Mr. Chairman, I yield the remainder of my time to the gentleman from New York [Mr. BOYLAN].

Mr. BOYLAN. Mr. Chairman, the independent offices appropriation bill is as you know one of the very important appropriation bills to come before this body. A great deal of work has been performed by the subcommittee under the distinguished leadership of that well-poised gentleman from

Virginia, Mr. WOODRUM. With him as chairman, we worked during the month of December preparing these estimates for your consideration.

We were ably assisted by the gentleman from Massachusetts [Mr. GRANFIELD], the gentleman from Maine [Mr. MORAN], the distinguished economist from New England [Mr. WIGGLESWORTH], and Mr. LAMBERTSON, from Kansas. So you see that the work done by this committee has been done by men who are thoroughly able and fit and competent to pass upon matters of this kind.

The independent offices appropriation bill, now before the House, carries appropriations for the regularly established independent bureaus, commissions, boards, and so forth, not under the jurisdiction of any Cabinet officer, with the exception of the Farm Credit Administration. The latter will be included in the bill for the Agricultural Department. Thirty different establishments are provided for.

The total of the direct appropriations carried in the pending bill is \$776,916,706. This sum is \$700,756 less than the total Budget estimates.

The total of the appropriations for the current year for the same activities as are provided for in the pending bill is \$598,302,694. The independent offices chapter of the Budget includes the 1935 appropriations of \$899,675,000 for emergency relief and public works and \$525,000,000 for loans and relief in stricken agricultural areas, but the bill does not carry any appropriation for these items for 1936.

The bill, therefore, carries a total of \$178,614,012 in excess of the comparable appropriations for the present fiscal year. Of this increase, \$158,671,904 is on account of the Veterans' Administration. Pensions require an increase of \$104,468,003; the appropriation for the adjusted-service certificate fund has been increased from \$50,000,000 to \$100,000,000; and there is an increase of \$4,610,000 for military and naval insurance, due to a decision of the United States Supreme Court declaring unconstitutional section 17 of Public, No. 2, Seventy-third Congress, approved March 20, 1933, which eliminated the adjudication by the courts of all claims incident to war-risk insurance contracts, with the exception of those cases in litigation at the time the amendatory legislation became effective.

The bill also provides an appropriation of \$925,000 for construction, replacement, extension, alteration, remodeling, or repair of hospitals. This sum comprises sundry miscellaneous authorizations for which appropriations have not heretofore been made, and is in addition to unexpended and unobligated balances of former appropriations which are reappropriated. The latter comprise a total of \$2,840,420, so that the bill actually provides a total of \$3,765,420 for hospital purposes for 1936.

Due to liberalized provisions of Public, No. 141, Seventy-third Congress, enacted March 28, 1934, hospitalization and domiciliary care of veterans again becomes a factor of such proportions that consideration must be given to the providing of adequate and suitable accommodations in excess of those now available. Particularly is this true in connection with the hospitalization for neuropsychiatric disabilities. Although it is not contemplated that it will be necessary to build any new hospital units as a whole, it will be absolutely essential that certain facilities already built be altered, remodeled, or extended to accommodate this class of patients.

There will now remain but \$4,000,000 of authorized hospital construction not already appropriated for, being the remainder of an original authorization of \$20,877,000 carried in the so-called "Seventh Construction Act", approved March 4, 1931.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. BOYLAN. I yield.

Mrs. ROGERS of Massachusetts. I understand that \$143,000,000 have already been authorized, appropriated, and spent for veterans' hospitals?

Mr. BOYLAN. Four million dollars of the amount originally authorized remains to be spent.

Mrs. ROGERS of Massachusetts. But a total of \$143,000,000 since the armistice has been authorized and expended?

Mr. BOYLAN. The gentlewoman is correct; \$143,000,000 has already been spent.

Time will not permit a detailed discussion of every appropriation carried in the bill. These may be found in the report accompanying the bill. It is my purpose, however, to mention briefly a few of the more important and outstanding.

AMERICAN BATTLE MONUMENTS COMMISSION

The President, by an Executive order, under authority granted to him to reorganize the executive establishment, has transferred from the War Department to the American Battle Monuments Commission, the duty of caring for and maintaining the American cemeteries and war memorials in Europe. This Commission, under the able leadership of General Pershing, has recently completed the erection of the authorized memorials at a cost of approximately \$4,500,000. The President, by his Executive order, has extended the life and the authority of the Commission and has intrusted to it the perpetual care of these memorials as well as the American cemeteries.

CIVIL-SERVICE RETIREMENT FUND

The annual appropriation for the contribution of the Government to the civil-service retirement fund has been increased from \$20,850,000 to \$40,000,000. To put the fund on an actuarial basis there should be an annual appropriation of \$52,000,000. The latter sum was requested of the Budget but the latter has submitted only \$40,000,000 to Congress. The fund is ample to meet all current obligations, but the time is coming when the Government's contributions will have to be increased if the fund is to be definitely maintained in a state of solvency.

EMPLOYEES' COMPENSATION COMMISSION

An expanding Federal establishment necessitates an increase for next year in the employees' compensation fund of \$262,100, bringing the total appropriation to \$4,250,000. The bill carries an authorization of \$2,081,000 from the special fund set up in the Treasury for compensation for injuries received by employees in the Civil Works Administration and of \$1,056,000 from the special fund for the Civilian Conservation Corps for injuries sustained by employees of that organization.

The CHAIRMAN. The time of the gentleman from New York [Mr. BOYLAN] has expired.

Mr. WIGGLESWORTH. I have some time remaining, and I will be glad to yield it to the gentleman from New York.

Mr. BOYLAN. I am obligated to my esteemed colleague from Massachusetts [Mr. WIGGLESWORTH] for the additional time, for which I thank him very much.

FEDERAL COMMUNICATIONS COMMISSION

The Federal Communications Commission was created to take over the functions of the Federal Radio Commission, and, in addition, to regulate the rates and services of all common carriers of communication by wire and radio. The Commission bears substantially the same relation to the communications industry as the Interstate Commerce Commission bears to rail-and-water transportation by common carriers. In addition, it regulates and polices the use of the air-wave channels in radio communication as was formerly done by the Federal Radio Commission.

The appropriation for the current year for the Federal Radio Commission was \$666,885. The estimates for 1936 for the Federal Communications Commission total \$1,525,000. The latter sum represents but a beginning. To carry out fully the authority conferred upon it by Congress, the Commission will require much larger annual appropriations than that included in the pending bill.

GENERAL ACCOUNTING OFFICE

The General Accounting Office is a service organization. As the Government establishment expands, the duties of the General Accounting Office undergo a corresponding increase, and proportionately larger appropriations are required. The pending bill carries a total of \$4,970,600 for this activity,

which is an increase of \$508,680 over the amount appropriated for the current year. It is approximately \$1,500,000 more than was appropriated for this office for 1934.

This is one establishment which pays for itself many times over, and it would be a serious mistake not to provide an adequate appropriation for its activities.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The National Advisory Committee for Aeronautics is a unique institution. Its personnel comprises some of the country's outstanding physicists and aviation experts, all of whom serve without pay. Its distinguished chairman is Dr. Joseph S. Ames, president of Johns Hopkins University. Officers of the Army Air Corps and of the Naval Air Service are assigned to the committee, and Col. Charles A. Lindbergh, as well as other aviation experts from private life, also serve on the committee.

This committee directs the work of the research laboratory located at Langley Field. It is by far the best-equipped laboratory in the world for research in aircraft problems. As a direct result of the discoveries and improvements developed at this laboratory, America today leads the world both in airplane design and in construction and operation.

The efficiency of this establishment is accounted for in large measure by the fact it is a wholly independent organization. In no other way would it be able to attract the services of the outstanding scientists and leaders in the field of aviation whose names now compose its roster.

NATIONAL MEDIATION BOARD

The national mediation board succeeds the old board of mediation. The amended Railway Labor Act modified the mediative procedure of the old board. It provided a new feature in the form of the Railroad Adjustment Board. This Board consists of 18 representatives appointed and paid by the carriers and 18 appointed and paid by the employees.

The Board is located at Chicago, Ill., and the cost of subordinate personnel and other expenses is provided for in the pending bill in the sum of \$156,000. The function of the Railroad Adjustment Board is to settle disputes between the carriers and their employees respecting the interpretation of agreements already in existence.

The functions of the modified mediation board are substantially the same as those of the old board. Practically the only change in its personnel set-up is the reduction of the number of board members from 5 to 3.

SECURITIES AND EXCHANGE COMMISSION

The Securities and Exchange Commission is another new establishment which is bound to grow in size and importance unless Congress materially curtails its functions. In addition to licensing exchanges, the Commission is authorized to regulate and police trading thereon, as well as regulating over-the-counter sales throughout the country of securities not listed on the regular exchanges.

It also investigates any trading in securities which it believes to be manipulative in character, as well as a score of other duties, far-reaching in character, the ultimate cost of which is unpredictable.

The Commission requested of the Budget an appropriation of \$4,277,000 for 1936. The Budget submitted to Congress an estimate of \$2,370,000, which the committee has cut to \$1,679,244. The committee believed the Commission was proposing an expansion far too rapid for sound organization building, and granted an appropriation which will continue the work during 1936 on the same level it is proposed to be conducted for the remainder of the current year.

Mr. Chairman and gentlemen of the committee, these are just a few observations on this bill. It is a very large and important bill and, as I said, covers very many activities of the Government. I believe under the leadership of our distinguished Chairman we have handled this bill in a manner that you would like to have us do.

I thank you. [Applause.]

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read the first paragraph of the bill.

Mr. WOODRUM. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PARSONS, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee had had under consideration the bill H. R. 3410, the independent offices appropriation bill, and had come to no resolution thereon.

ANNUAL REPORT NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committees on Military Affairs, Naval Affairs, Interstate and Foreign Commerce and ordered printed:

To the Congress of the United States:

Pursuant to the act of March 3, 1915, which established the National Advisory Committee for Aeronautics, I submit herewith the annual report of that Committee for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 10, 1935.

ANNUAL REPORT OF THE COUNCIL OF NATIONAL DEFENSE

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Military Affairs:

To the Congress of the United States:

In compliance with paragraph 5, section 2, of the Army Appropriation Act approved August 29, 1916, I transmit herewith the Eighteenth Annual Report of the Council of National Defense for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 10, 1935.

ANNUAL REPORT OF COMMISSION ON ERECTION OF MEMORIALS AND ENTOMBMENT OF BODIES IN ARLINGTON MEMORIAL AMPHITHEATER

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Public Buildings and Grounds:

To the Congress of the United States:

In compliance with the requirements of the act of Congress of March 4, 1921, I transmit herewith the annual report of the Commission on the Erection of Memorials and Entombment of Bodies in the Arlington Memorial Amphitheater for the fiscal year ended June 30, 1934.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 10, 1935.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BROWN of Michigan, for several days, on account of important business.

REPUBLICAN POLICIES IN CONGRESS

Mr. FISH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD by printing a radio speech made by myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, under leave to extend my remarks, I am inserting in the CONGRESSIONAL RECORD a speech delivered by me over the National Broadcasting Co. network on Wednesday evening, January 9, 1935:

The President has spoken on the state of the Union, and much of what he said regarding the necessity of security insurance for American wage earners, presumably for old age and unemployment, is admirable. I hope no liberal-minded Republican will find fault with such a humanitarian program of social welfare when it is finally presented in proper legislative form. I introduced and urged old-age pension legislation in Congress 6 years ago.

As I listened to the balance of his address to Congress, I kept wondering where is the money coming from for such a gigantic

public-works program. The P. W. A. has already spent \$2,000,000,000, and I doubt if it has given steady employment to a million men. On that basis, it will cost seven billions to provide Government jobs to three and a half million employable men now on the relief rolls. The President's optimism is apparently based on the assumption that governmental funds are inexhaustible and that the resources and dollars of the American taxpayers are as numerous as the sands of the deserts and seas combined. Already the taxpayers, small and large, have been bled white and together with the consumers are rapidly being transformed into a special category of forgotten men and women.

The President's proposal, however, does not say a word about the remaining eight and a half million unemployed not on Government emergency work, or help private industry in any way to care for them. He avoided and ignored this issue, the most important confronting the American public, that of expediting the return to private employment of the 12,000,000 unemployed. His message to Congress did not in the slightest degree encourage or promote the restoration of business confidence, which is an essential prerequisite to the employment of American labor by private industry. The tragedy of the present economic situation is that every day since last May unemployment has been increasing, so that on January 1, 1935, there were 2,000,000 more unemployed, according to the American Federation of Labor, a nonpartisan authority, than there were a year ago.

The only thing that counts in war, from the time a soldier puts on a uniform and takes up a rifle, is success in battle; and so in the present economic warfare against depression the only real test of the new-deal measures, and the only thing that actually counts, is whether the socialistic experiments, some of which I voted for as temporary emergency measures, have been successful in putting men back to work.

The record, with the exception of an auspicious start backed by practically a united and unanimous public opinion, has dwindled away until Roosevelt and recovery are no longer synonymous except over the radio and in the press, inspired by several hundred publicity agents in Washington, paid out of the Treasury of the United States.

The Roosevelt administration must survive or perish in the last analysis on its success in getting the wheels of private industry turning in order to provide employment for 12,000,000 of loyal and industrious Americans. The last 6 months have proved that most of the socialistic experiments of the "brain trust" are unworkable and unsound and are actually retarding business recovery. I honestly do not believe the American people realized the exact situation when they voted on November 6, as they were still thinking of the first year of the Roosevelt administration before the unsound new-deal policies had become effective. If these experiments had succeeded in their objective of providing permanent jobs even at the cost of fifteen billions in 22 months no Republican should in the midst of the present emergency denounce them or question the price.

But after almost 2 years, and with tragic failure of these half-baked expedients staring us in the face, it is the duty of the Republicans to point out the facts to the American public, and call a halt before millions more are unemployed through the destruction of business confidence.

The last election was not an election but a vote in favor of Santa Claus. Jolly Old Saint Nick did the political trick, and millions of relief workers were informed that if they failed to vote the Democratic ticket there would be no more work relief. There never was a more shameless and disgraceful election. The Treasury of the United States was used as a campaign chest by the Democratic Party for the first time in history. Work relief was used as a political football and partisan politics was played with human misery. Coercion and intimidation of the voters through work relief was the order of the day. A famous but inglorious victory was won by the Democrats, and, having fulfilled his political purposes, now Santa Claus is to be scrapped. What a travesty and hollow mockery of all the promises and inducements held out to the millions of relief workers to vote the Democratic ticket or starve! The following is an excerpt from a campaign letter sent out in my own congressional district in New York State, just prior to election, signed by nine men who were on or had been on the relief rolls:

"Your very existence is at stake. You can save a job for yourself and make jobs for your relatives and friends only by going to the polls on November 6 and supporting all the Democratic candidates, whose program is in full accord with the national program to this end. All of the Republican candidates are against the Democratic program, which has helped you and which will help you more. Vote the straight Democratic ticket on election day and save your job."

I denounced this letter immediately and publicly as being vicious and un-American, but when I asked Mr. Hopkins, the Relief Administrator, to take disciplinary action I received no assistance whatever. Although I voted for all C. W. A. appropriations, fortunately for me, I did not have to depend on the vote of the relief workers or the lack of cooperation of Mr. Hopkins, for without either I received a majority of 20,000 in the President's own congressional district, an increase over the previous election.

There has been a great deal of talk to the effect that the Republican Party must liberalize and humanize its policies. Some people have said that this is the function of the Republican National Committee. The record of the Republican Party will be formulated, shaped, and made by the votes of the Republican Members of the House and of the Senate, and not by any member of the national committee. The responsibility is ours and cannot

be shirked. We must stand for liberalism or reaction. The final record will speak for itself when Congress adjourns. As for myself, I propose to give my heart, mind, voice, and vote to liberalize and humanize the Republican Party and to help regain the faith of the plain people in our sound principles and fundamental policies. We are still the party of prosperity and are needed more today than ever before.

Anyone who thinks the Republican Party is dead is crazy, or that it will enter into a coalition with the Democrats is equally unbalanced. Although we are few in number in the Congress we must not forget that we represent 13,000,000 voters, or 46 percent of the electorate. Let there be no pussyfooting or trading with the enemy on fundamental principles. My appeal is directed to all Republicans, liberals and conservatives, near Republicans, Jeffersonian Democrats, and all others who have lost faith in the unsound, unworkable, and socialistic plans of the new deal. It is our duty to expose these economic fallacies that are destroying public confidence and retarding business recovery and the employment of American wage earners.

Let me make very clear, speaking for myself and my Republican colleagues in the House of Representatives, we do not want any commiseration from the large Democratic majorities in both the House and Senate. We eschew their pity and spurn their condescensions. We ask for no quarter, nor do we propose to give any on the more radical, socialistic, and unconstitutional features of the new deal, and particularly where it infringes on representative government and turns the Members of Congress into rubber stamps. We would not change places with any Member on the Democratic side, who must spring through the hoops like trained animals every time Jim Farley cracks the whip, or jump like trained fleas every time the "brain trust" sends an administration message to Congress.

The election slogan of the Democratic Members was to stand by the President, and they are committed in advance, gagged and labeled, and delivered en bloc for those administration measures generally concocted by the "brain trust" and hurriedly looked over and approved by the President.

No, thank God, at least the Republican Members can speak and vote against bad legislation and favor sound legislation on its merits without being cracked down upon by the Democratic national chairman through the use of a huge patronage machine, a veritable Frankenstein, that he has built up.

The Republicans in Congress belong to the minority, or opposition party. We have not only the right but the duty to scrutinize and analyze all legislative proposals. While it is clear that we should not oppose legislation simply because it is offered by the administration, it is equally clear that we must not hesitate to rip off the sugar coating and see beyond the honeyed words and criticize all unsound legislation without fear or favor.

We must be militant Republicans and oppose, even at the loss of temporary popularity, all measures which we do not believe to be for the welfare of the American people.

While the President has had the backing of a subservient Congress, and billions have been appropriated, there are still more unemployed than under the Hoover administration. Republicans in Congress should vote to scrap most of the features of the N. R. A., which have been harmful to small business men and are gradually strangling them to death.

National recovery cannot be brought about by propaganda from the White House, Cabinet members, and paid publicity agents who have been ringing the changes and beating the tom-tom of prosperity for the past year, perhaps with some political success but to no good economic purpose.

The administration has tried to bring about national recovery by the use of honeyed words and propaganda, and again by threats and the bludgeon. All have failed because its fundamental policies are unsound and destructive of business confidence. Let the Government stop harassing and hampering the business men with all sorts of new regulations and excessive taxation. The truth is that almost every man who has any substantial means left has lost confidence in the unworkable measures of the administration.

The national debt, which was twenty billions when the Democratic administration came into power, will be thirty-five billions by the end of the fiscal year June 30, 1935, and forty billions by the next year. There is scarcely enough revenue coming in to pay the interest on that amount. We are headed for inflation and its twin evils, chaos and bankruptcy. The worst of it is that Great Britain, Canada, and other nations that have balanced their budgets, are emerging rapidly to normal prosperity, whereas we lag behind the procession and are being dragged down deeper every day by enormous governmental expenditures. The homes, resources, and business of the American people are being devoured by taxation.

What is needed more than anything else is inflation of confidence through sound legislation, not inflation of money through governmental waste and extravagance. The Roosevelt policies are no sounder now than before election, as popular majorities do not change economic laws. The Mississippi bubble, for the time being, made John Law the most popular man in France until the crash came.

The Republican Party stands today, as it always has stood, for sound money, for sanctity of contracts, for the protective tariff, for parity on agricultural products in relation to other industries, for the employment of labor on the American wage standards, for national economy and a balanced Budget, for economic freedom, for social and industrial justice, and for the equitable distribution of the abundance with which our land has been endowed, instead of restriction when 12,000,000 are unemployed. We are opposed

to Government ownership, state socialism, and a tyrannical super-bureaucracy at Washington regimenting all of our lives and to inflation that leads to governmental insolvency.

More specifically, speaking for myself, I favor adequate old-age pensions, unemployment insurance, the abolition of tax-exempt securities, the regulation and control of munition plants, the conscription of wealth, industry, labor, and man power to take the profit out of war, a national referendum on war, a bonus by installments for veterans, the restoration of the civil service, full pay for Federal employees, and increased protection to American industry and labor wherever needed.

Lastly, let us hold fast to that which is good. Let us get back to the sound principles that made for the progress and security of our Nation. As a liberal Republican who believes in marching forward with the times, I confess I abhor the precipitate departure from long-tested traditions and that which has proved itself of indispensable value to the happiness and security of the American people for experiments made simply because they are new, which actually stop the wheels of progress and the employment of American labor.

If there had been more hard-hitting, aggressive, militant, fighting Republicans in the last campaign, we would have had a larger representation in both the House and the Senate. The need of the hour is militant Republicanism.

PAY RESTORATION

Mr. BEITER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD.

The SPEAKER. Without objection, it is so ordered.

Mr. BEITER. Mr. Speaker, the President sometime ago stated that he was confident of pay restoration at the beginning of the next fiscal year, the question now is restoration of pay as of January 1.

It is suggested by those in touch with the issue that the President would like to recommend full restoration of pay to Federal employees as of January 1, but by law he can recommend increases only in keeping with results of the cost-of-living survey conducted by the Department of Labor. I can see no reason then for not supporting any legislation repealing that section of the Economy Act terminating the authority for reduction.

The minimum of justice to the great army of Federal employees requires full restoration of their basic salaries, effective January 1, 1935, and in so doing it would enhance the purchasing power of those who are solely dependent on the Federal Government, and thus start the wheels of progress from the bottom up.

There are a number of reasons why the 5-percent should be restored, provided there are sufficient Government revenues available to finance the restoration this fiscal year.

The Economy Act required the President to announce at intervals of 6 months a cost-of-living index, to be studied with reference to the base period, chosen as the 6-month period ending December 31, 1928. The index for this base period is 171. The indexes announced by the President, beginning with the period ending December 31, 1932, are as follows:

December 1932.....	133.9
June 1933.....	130.2
December 1933.....	135.0
June 1934.....	136.4
December 1934.....	138.9

The cost-of-living index reached its lowest point in the 6-month period ending with June 1933, and the index then was 23.9 percent below the base period. It has reached its highest figure for the 6 months just ended but is still 18.8 percent below the base period. Under the terms of the law, pay was to be restored when the percentage difference between the 6-month index and the base-period index was less than the amount of the pay cut. Under the law—which expires automatically at the end of this fiscal year—salaries could not be restored until the cost-of-living index approximated the cost-of-living index for the last 6 months of 1932.

The Post Office Department faces heavy annual deficits, but the deficits are to a great extent attributable to payment of huge subsidies to steamships and air mail carriers. The Department's economy program during the fiscal year ended June 30, 1933, saved \$100,000,000, but \$80,000,000 of this amount was taken out of the wages of Department employees in every post office in the country. Those in regular service estimate closely that their 15-percent wage cut and payless furloughs amount to 27 percent of their

previous income from which further reduction is made for their pension fund. Frequently, if not usually, when regular employees are absent, other regulars assume extra duties, leaving the substitutes idle.

The inconsistency of the Washington administration in urging higher wages in private industry and cutting wages and reducing forces in its own big business is manifest, but the postal workers are by no means the only losers. While the Government puts 4,000,000 men to work on more or less useful projects primarily for the purpose of providing employment, it curtails such essential services as mail collections and deliveries. Post-office patrons, business concerns especially, are seriously inconvenienced. The Post Office Department itself suffers loss of revenue.

The impression must not be allowed to prevail, however, that postal salaries should be determined by the profit or loss experienced by the Post Office Department. A more fallacious argument could scarcely be advanced. The post office is a public institution, operated to serve the needs of the mailing public. The Department charges for its services, to be sure, but it is not operated in order to make a profit.

The sacrifices made by postal workers during the depression, the likelihood that living costs will rise shortly in 1935, the current revival of business, the need for mass purchasing power and business confidence, the presence of a postal surplus instead of the usual deficit, and the right of loyal civil servants to an adequate and rising standard of living all combine to make immediate pay restoration the least that the Government can do in fairness to the postal worker.

PAY-RESTORATION AMENDMENT

Mr. McLEOD. Mr. Speaker, I ask unanimous consent to have printed in the RECORD an amendment to the independent offices appropriation bill, which I expect to offer tomorrow.

The SPEAKER. Is there objection?

There was no objection.

The amendment is as follows:

Amendment offered by Mr. McLEOD: Page 1, line 7, strike out the word "namely" and insert in lieu thereof the following: "and that so much as may be necessary is hereby appropriated for the payment, effective January 1, 1935, to all officers and employees of the Federal Government of the United States of full compensation without regard to the 5-percent reduction now in force."

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 55 minutes p. m.), the House adjourned until tomorrow, Friday, January 11, 1935, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

119. A letter from the Postmaster General, transmitting a report of all cases where special contracts have been made with railroad companies for the transportation of the mails, and the terms and reasons therefor; to the Committee on the Post Office and Post Roads.

120. A letter from the Librarian of Congress, transmitting annual report as Librarian of Congress, together with that of the Register of Copyrights, for the fiscal year ending June 30, 1934; to the Committee on the Library.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLER: A bill (H. R. 3608) to improve the navigability of the White River, to provide for the flood control of the Mississippi River and the White River and to provide for reforestation and the use of marginal lands; for the agricultural and industrial development; for the irrigation of lands; for the restoration and preservation of the water level; and for the development of electrical power in the

White River Valley, and for other purposes; to the Committee on Flood Control.

Also, a bill (H. R. 3609) to improve the navigability of the Arkansas River, Red River, Ouachita River, and White River, to provide for the flood control of the Mississippi River and the Arkansas, Red, Ouachita, and White Rivers, and to provide for reforestation and the use of marginal lands; for the agricultural and industrial development; for the irrigation of lands; for the restoration and preservation of the water level; for the development of electrical power in the Arkansas, Red, Ouachita, and White River Valleys; and for other purposes; to the Committee on Flood Control.

By Mr. DIRKSEN: A bill (H. R. 3610) to amend paragraph 1 of section 4 of the Interstate Commerce Act, as amended February 28, 1920 (U. S. C., title 49, sec. 4); to the Committee on Interstate and Foreign Commerce.

By Mr. DOCKWEILER: A bill (H. R. 3611) to revise section 15 of Public Law No. 308, the Air Mail Act; to the Committee on the Post Office and Post Roads.

By Mr. DOBBINS: A bill (H. R. 3612) to provide for adjusting the compensation of post-office inspectors and inspectors in charge to correspond to the rates established by the Classification Act of 1923, as amended; to the Committee on the Post Office and Post Roads.

By Mr. KRAMER: A bill (H. R. 3613) to regulate brake equipment on freight cars, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McMILLAN. A bill (H. R. 3614) to authorize the erection of a monument in memory of Robert Mills; to the Committee on the Library.

By Mr. McSWAIN: A bill (H. R. 3615) to provide for the erection of a tablet to the memory of Ann Pamela Cunningham; to the Committee on Military Affairs.

Also, a bill (H. R. 3616) to establish a National Emergency Commission, and to define its powers; to the Committee on Ways and Means.

By Mr. MAPES: A bill (H. R. 3617) to promote the safety of employees and travelers upon common carriers engaged in interstate commerce by railroad by compelling such carriers to maintain tracks, bridges, and appurtenances thereto in safe and suitable condition; to the Committee on Interstate and Foreign Commerce.

By Mr. SANDERS of Louisiana: A bill (H. R. 3618) to amend an act providing for promotion by selection and retirement of officers in the line of the Navy by extending its provisions to officers of the Marine Corps, and for other purposes; to the Committee on Naval Affairs.

By Mr. ALLEN: A bill (H. R. 3619) to provide for the construction of a post-office building at Mount Morris, Ill.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3620) to provide for the construction of a post-office building at Mount Carroll, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. GREENWOOD: A bill (H. R. 3621) to provide for the control of the flood waters of the Wabash and White Rivers and their tributaries, the improvement of the navigability of such rivers, the storage and delivery of the waters thereof for beneficial uses, the development of electrical power with such waters, the development of recreational and home-site areas, and for reforestation and conservation of natural resources, and for other purposes; to the Committee on Flood Control.

By Mr. DISNEY: A bill (H. R. 3622) to provide for the prevention of soil erosion, for flood control, irrigation, and for the purpose of furthering navigation, and for the purpose of constructing hydroelectric plants in the areas drained by the Arkansas, White, and Red Rivers, for the purpose of marketing any electric power so generated to States, counties, municipalities, corporations, and individuals, and to provide for the reforestation of lands suitable therefor in the watersheds of said streams, and for the purpose of protecting, preserving, promoting, and putting into use the natural resources along said streams and in the areas drained thereby, and to provide for the economic and social

well-being of people living in the watersheds of said streams, and for other purposes; to the Committee on Flood Control.

By Mr. RAMSAY: A bill (H. R. 3623) to improve the navigability and to provide for the flood control of the Monongahela River Basin and the Kanawha River Basin; to provide for the agricultural and industrial development of said valleys; to provide for the national defense by the creation of a corporation for the operation of Government properties at or near Tygart Reservoir near Grafton and all locks and dams now the property of the Government on the said Monongahela and Kanawha Rivers, and for other purposes; to the Committee on Flood Control.

By Mr. BOLAND: A bill (H. R. 3624) authorizing the erection of a memorial to Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

Also, a bill (H. R. 3625) imposing an excise tax on motor busses and motor trucks operating over public highways of the United States of America as common carriers engaged in interstate commerce, providing for the assessment and collection thereof, and providing penalties for the violation of this act; to the Committee on Ways and Means.

By Mr. DIMOND: A bill (H. R. 3626) to authorize the incorporated town of Seward, Alaska, to undertake certain municipal public works, including the construction of a steam and/or Diesel electric-generating station and electric and steam heating distribution systems, and for such purposes to issue bonds in any sum not exceeding \$118,000; to the Committee on the Territories.

By Mr. KRAMER: A bill (H. R. 3627) directing the Secretary of War to issue Army discharges to those who were regularly inducted into the military service of the United States prior to November 11, 1918, and to whom were issued discharges from draft on or after said date; to the Committee on Military Affairs.

By Mr. McSWAIN: A bill (H. R. 3628) providing for the establishment of farmers' marketing centers; to the Committee on Agriculture.

Also, a bill (H. R. 3629) to authorize the acquisition of additional land for the use of Walter Reed General Hospital; to the Committee on Military Affairs.

By Mr. MARTIN of Colorado: A bill (H. R. 3630) to round out the boundaries of the Pike National Forest, to protect and develop its resources; to the Committee on the Public Lands.

By Mr. MARTIN of Massachusetts: A bill (H. R. 3631) to amend section 9 of an act known as the "Agricultural Adjustment Act"; to the Committee on Agriculture.

By Mr. MASSINGALE: A bill (H. R. 3632) to authorize the Secretary of the Interior to convey the lands and property formerly used for the United States Indian School at Colony, Okla., to the Union Graded School District No. 1, of Colony, Okla.; to the Committee on Indian Affairs.

By Mr. MITCHELL of Tennessee: A bill (H. R. 3633) restricting the appointment of employees by Members of Congress of the United States in certain cases; to the Committee on Accounts.

Also, a bill (H. R. 3634) to reduce the compensation of Senators, Representatives, Delegates, and Resident Commissioners to \$5,000 per annum; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 3635) to authorize the erection of a Veterans' Administration hospital in middle Tennessee and to authorize the appropriation therefor; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 3636) to repeal the provision of law providing for the payment of a minimum of 3 months' salary to the widow of any deceased Member of Congress; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H. R. 3637) to provide for exempting hog producers from the processing tax under the Agricultural Adjustment Act in certain cases; to the Committee on Agriculture.

Also, a bill (H. R. 3638) providing for the purchase of a suitable site and the erection of a public building at Livingston, Tenn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 3639) to provide for terms of the United States District Court for the Nashville Division of the Middle District of Tennessee to be held at Murfreesboro, Tenn.; to the Committee on the Judiciary.

Also, a bill (H. R. 3640) to repeal the provisions of law authorizing the payment of mileage or any amount in lieu of mileage to any Member of Congress or to any Delegate or Resident Commissioner to Congress; to the Committee on Expenditures in the Executive Departments.

By Mr. SMITH of Virginia: A bill (H. R. 3641) to amend section 559 of the Code of the District of Columbia as to restriction on residence of members of the fire department; to the Committee on the District of Columbia.

Also, a bill (H. R. 3642) to amend section 483 of the Code of the District of Columbia as to residence of members of the police department; to the Committee on the District of Columbia.

By Mr. WEARIN: A bill (H. R. 3643) to amend the Packers and Stockyards Act, 1921; to the Committee on Agriculture.

By Mr. WOOD: A bill (H. R. 3644) to provide homes and farms for the tenant farmers of the United States, and for other purposes; to the Committee on Agriculture.

By Mr. FENERTY: A bill (H. R. 3645) to permit radium to be accepted in payment of war debts due from Belgium, and to provide for the distribution of such radium; to the Committee on Ways and Means.

By Mr. KVALE: A bill (H. R. 3646) to amend the Agricultural Adjustment Act, as amended, with respect to farm prices; to the Committee on Agriculture.

By Mr. McLEOD: A bill (H. R. 3647) to promote safety on the streets and highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act, and for other purposes; to the Committee on the District of Columbia.

By Mr. MARTIN of Massachusetts: A bill (H. R. 3648) to provide for the equitable distribution of the processing tax on cotton, to increase the purchasing power of industrial workers, and for other purposes; to the Committee on Agriculture.

By Mr. SAUTHOFF: A bill (H. R. 3649) relating to banks keeping on hand a cash reserve of more than 25 percent of their deposits and providing a penalty; to the Committee on Banking and Currency.

By Mr. TRUAX: A bill (H. R. 3650) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto, approved March 3, 1933; to restore confidence and prevent confiscation of homes and farms by money lenders by providing for a suspension of real-estate foreclosures for a period of 5 years; to the Committee on the Judiciary.

By Mr. DEEN: A bill (H. R. 3651) to exempt a limited quantity of cotton produced by small producers from the cotton-ginning tax; to the Committee on Agriculture.

By Mr. DISNEY: A bill (H. R. 3652) to increase the authorized bond issues of the Home Owners' Loan Corporation, and for other purposes; to the Committee on Banking and Currency.

By Mr. GEARHART: A bill (H. R. 3653) granting to the Water Project Authority of the State of California, a body politic and corporate of said State, certain lands, and for other purposes; to the Committee on the Public Lands.

By Mr. JENKINS of Ohio: A bill (H. R. 3654) to reduce the rate of interest on loans secured from the Government on Government life-insurance policies; to the Committee on World War Veterans' Legislation.

By Mr. BLAND: A bill (H. R. 3655) amending title II, section 202 (b), of the World War Adjusted Compensation Act, as amended (U. S. C., Supp. VII, title 38, sec. 613); to the Committee on Ways and Means.

By Mr. CARMICHAEL: A bill (H. R. 3656) to increase the lump-sum payment made under the Workmen's Compensation

tion Act in cases of death or of permanent total or permanent partial disability suffered prior to February 12, 1927; to the Committee on the Judiciary.

By Mr. CONNERY: A bill (H. R. 3657) to protect labor in its old age; to the Committee on Labor.

By Mr. DISNEY: A bill (H. R. 3658) to regulate commerce in petroleum, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SANDERS of Louisiana: A bill (H. R. 3659) to provide for the erection of a monument in Clinton Cemetery, Clinton, La., to mark the resting place of certain Union and Confederate soldiers; to the Committee on Military Affairs.

By Mr. WOODRUM: A bill (H. R. 3660) granting the consent of Congress to the several States to levy and collect taxes on gasoline and other motor-vehicle fuels in certain instances when sold on United States military and other reservations; to the Committee on Ways and Means.

By Mr. MITCHELL of Tennessee: Joint resolution (H. J. Res. 73) to provide for the designation of a highway from Sault Ste. Marie, Mich., to Fort Myers, Fla., as a memorial to the late President and Chief Justice William Howard Taft; to the Committee on Roads.

Also, joint resolution (H. J. Res. 74) to establish an investigating committee, define its duties, and for other purposes; to the Committee on Rules.

Also, joint resolution (H. J. Res. 75) to establish an investigating committee, defining its duties, and for other purposes; to the Committee on Rules.

By Mr. HOOK: Joint resolution (H. J. Res. 77) authorizing the issuance of a special postage stamp in honor of the centennial statehood of the State of Michigan; to the Committee on the Post Office and Post Roads.

By Mr. QUINN: Joint resolution (H. J. Res. 78) directing the President of the United States of America to proclaim October 11 of each year General Pulaski's Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KVALE: A bill (H. R. 3661) for the relief of certain claimants who suffered loss by fire in the State of Minnesota during October 1918; to the Committee on Claims.

By Mr. RYAN: A bill (H. R. 3662) for the relief of certain claimants who suffered loss by fire in the State of Minnesota during October 1918; to the Committee on Claims.

By Mr. PITTENGER: A bill (H. R. 3663) for the relief of certain claimants who suffered loss by fire in the State of Minnesota during October 1918; to the Committee on Claims.

By Mr. ALLEN: A bill (H. R. 3664) granting a pension to Ethel S. Ferguson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3665) granting a pension to Lizzie May Schaber; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3666) granting a pension to Sarah A. King; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3667) granting a pension to Sadie M. Meik; to the Committee on Pensions.

Also, a bill (H. R. 3668) granting a pension to Emma Wood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3669) granting a pension to Hillis T. Brown; to the Committee on Pensions.

Also, a bill (H. R. 3670) granting a pension to Anna Layton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3671) for the relief of Charles W. Nobis, Robert Bruce Irwin, Ralph Irwin, Vern Shelly, Charles W. Chapman, C. H. Jobe, Helen S. Cooper, Lizzie Jameson, Frank and Irene Jameson; to the Committee on Claims.

Also, a bill (H. R. 3672) for the relief of the Dixon Implement Co.; to the Committee on Claims.

Also, a bill (H. R. 3673) for the relief of Bernard V. Wolfe; to the Committee on Claims.

Also, a bill (H. R. 3674) for the relief of Laura B. Haynes; to the Committee on Claims.

Also, a bill (H. R. 3675) for the relief of James Cantlin, alias James Cantlion, deceased; to the Committee on Military Affairs.

Also, a bill (H. R. 3676) granting an increase of pension to Ada Plattenberger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3677) granting an increase of pension to Amelia Pulfrey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3678) granting an increase of pension to Mary A. Wohlford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3679) granting an increase of pension to Anna Flint; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3680) granting an increase of pension to Martha C. Howe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3681) granting an increase of pension to Minnie G. Barnes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3682) granting an increase of pension to Maria S. Houston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3683) granting an increase of pension to Elizabeth Diehl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3684) granting an increase of pension to Emma McLees; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3685) granting an increase of pension to Ernestine Singer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3686) granting an increase of pension to Olive E. Tompkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3687) granting an increase of pension to Anna Shannessay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3688) granting an increase of pension to Elizabeth Snyder; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3689) granting an increase of pension to Catherine Norton; to the Committee on Invalid Pensions.

By Mr. ARENDS: A bill (H. R. 3690) making eligible for retirement, under the same conditions as now provided for officers of the Regular Army, A. Richard Hedstrom, chaplain, an officer of the United States Army during the World War, who incurred physical disability in line of duty; to the Committee on World War Veterans' Legislation.

By Mr. ASHBROOK: A bill (H. R. 3691) granting a pension to Margaret E. Pryce; to the Committee on Invalid Pensions.

By Mr. AYERS: A bill (H. R. 3692) for the relief of Celeste C. Anderson; to the Committee on Claims.

By Mr. BIERMANN: A bill (H. R. 3693) granting a pension to Mary C. Learned; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3694) for the relief of Florence Byvank; to the Committee on War Claims.

Also, a bill (H. R. 3695) for the relief of Kittie R. Miller; to the Committee on War Claims.

By Mr. BOEHNE: A bill (H. R. 3696) granting a pension to Ethel K. Massie; to the Committee on Pensions.

Also, a bill (H. R. 3697) granting a pension to George E. Hilgert; to the Committee on Pensions.

By Mr. BOILEAU: A bill (H. R. 3698) granting a pension to Sarah A. De Gross; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3699) granting a pension to Marie Beck; to the Committee on Pensions.

Also, a bill (H. R. 3700) granting a pension to Elizabeth Ellen Barker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3701) granting a pension to Mary E. Grinnell; to the Committee on Pensions.

Also, a bill (H. R. 3702) to provide for the refund or abatement of the claim for loss incurred in the burglary of the post office at Arpin, Wis.; to the Committee on Claims.

Also, a bill (H. R. 3703) for the relief of Lawrence Nohr; to the Committee on War Claims.

Also, a bill (H. R. 3704) granting an increase of pension to Sarah Jane Bump; to the Committee on Invalid Pensions.

By Mr. BOLAND: A bill (H. R. 3705) for the relief of Thomas A. Coyne; to the Committee on Military Affairs.

Also, a bill (H. R. 3706) for the relief of Nell Mullen; to the Committee on Claims.

By Mr. BRUNNER: A bill (H. R. 3707) authorizing the Secretary of War to bestow a gold medal of honor, of such

design as he may approve, upon Michael J. Quinn; to the Committee on Military Affairs.

By Mr. DARDEN: A bill (H. R. 3708) for the relief of Hudson Bros., of Norfolk, Va.; to the Committee on Claims.

Also, a bill (H. R. 3709) for the relief of the Norfolk Southern Railroad Co.; to the Committee on Claims.

Also, a bill (H. R. 3710) for the relief of the heirs at law of Barnabas W. Baker and Joseph Baker; to the Committee on Claims.

Also, a bill (H. R. 3711) for the relief of the James River Bridge Corporation; to the Committee on the Judiciary.

Also, a bill (H. R. 3712) for the relief of Robert James Allen; to the Committee on Naval Affairs.

Also, a bill (H. R. 3713) to extend the benefits of the Employees' Compensation Act of September 7, 1916, to F. Lee Bartlett; to the Committee on Claims.

Also, a bill (H. R. 3714) to amend the act entitled "An act for the relief of contractors and subcontractors for post offices and other buildings and work under the supervision of the Treasury Department, and for other purposes", approved August 25, 1919, as amended by act of March 6, 1920; to the Committee on Public Buildings and Grounds.

By Mr. DEMPSEY: A bill (H. R. 3715) authorizing the reimbursement of Edward B. Wheeler and the State Investment Co. for the loss of certain lands in the Mora Grant, N. Mex.; to the Committee on Claims.

By Mr. DIETRICH: A bill (H. R. 3716) granting a pension to Leon P. Chesley; to the Committee on Pensions.

Also, a bill (H. R. 3717) granting a pension to Rush E. Kindig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3718) granting an increase of pension to Eva Louise Eberlin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3719) granting a pension to Fred C. Vanderpool; to the Committee on Pensions.

Also, a bill (H. R. 3720) for the relief of Wilfred J. Drey; to the Committee on Claims.

Also, a bill (H. R. 3721) for the relief of Angelo J. Gillotti; to the Committee on Military Affairs.

By Mr. DOCKWEILER: A bill (H. R. 3722) for the relief of Samuel Kaufman; to the Committee on Military Affairs.

Also, a bill (H. R. 3723) for the relief of Frank N. Curtiss; to the Committee on Military Affairs.

By Mr. DORSEY: A bill (H. R. 3724) for the relief of William Henry Savage; to the Committee on Naval Affairs.

By Mr. EVANS: A bill (H. R. 3725) to carry out the findings of the Court of Claims in the claim of the Morse Dry Dock & Repair Co.; to the Committee on Claims.

By Mr. FORD of California: A bill (H. R. 3726) granting a pension to Susan McKay Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3727) for the relief of Carl Siele; to the Committee on Naval Affairs.

Also, a bill (H. R. 3728) for the relief of Fred Pruscha, alias Fred Cole; to the Committee on Military Affairs.

By Mr. FREY: A bill (H. R. 3729) to confer jurisdiction upon the United States Court of Claims to hear and determine the claims of Henry W. Bibus, Annie Ulrick, Samuel Henry, Charles W. Hensor, Headley Woolston, John Henry, Laura B. Margerum, and George H. Custer, of Falls Township and borough of Tullytown, Bucks County, Commonwealth of Pennsylvania; to the Committee on Claims.

By Mr. JENKINS of Ohio: A bill (H. R. 3730) granting an increase of pension to Effie C. Greene; to the Committee on Invalid Pensions.

By Mr. JOHNSON of West Virginia: A bill (H. R. 3731) granting the Distinguished Service Cross, also the Oak Leaf Cluster, to Acors Rathbun Thompson; to the Committee on Military Affairs.

Also, a bill (H. R. 3732) for the relief of John H. Gatts; to the Committee on Claims.

Also, a bill (H. R. 3733) granting back pay to Auguste C. Loiseau; to the Committee on War Claims.

Also, a bill (H. R. 3734) for the relief of Sarah Lloyd; to the Committee on Military Affairs.

Also, a bill (H. R. 3735) for the relief of Mrs. Charles L. Reed; to the Committee on Claims.

Also, a bill (H. R. 3736) for the relief of James L. Barnett; to the Committee on the Civil Service.

Also, a bill (H. R. 3737) for the relief of George L. Stone; to the Committee on Claims.

Also, a bill (H. R. 3738) granting a pension to Melba Bates; to the Committee on Pensions.

Also, a bill (H. R. 3739) granting a pension to Rawley B. Wright; to the Committee on Invalid Pensions.

By Mr. KINZER: A bill (H. R. 3740) granting an increase of pension to Emma J. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3741) granting an increase of pension to Lydia A. Stuard; to the Committee on Invalid Pensions.

By Mr. KRAMER: A bill (H. R. 3742) granting a pension to Ella Pierce; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3743) granting a pension to Edith M. Cruise; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3744) granting a pension to Pearl Bouchie; to the Committee on Pensions.

Also, a bill (H. R. 3745) for the relief of George A. Whitlock; to the Committee on Naval Affairs.

Also, a bill (H. R. 3746) for the relief of George Hovey; to the Committee on Military Affairs.

By Mr. LAMNECK: A bill (H. R. 3747) for the relief of James Albert Duffy; to the Committee on Naval Affairs.

By Mr. LORD: A bill (H. R. 3748) granting an increase of pension to Mary J. Brown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3749) granting an increase of pension to Jennette Knapp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3750) granting an increase of pension to Emma R. Pettie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3751) granting a pension to Sarah W. Chisholm; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3752) granting a pension to Grace A. Walker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3753) granting a pension to Lillie Brinkerhoff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3754) granting a pension to Chester A. Lewis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3755) granting a pension to Hortense Van Horne; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3756) granting a pension to Anna V. Peck; to the Committee on Invalid Pensions.

By Mr. McMILLAN: A bill (H. R. 3757) granting a pension to Carl Wilhelm Janssen; to the Committee on Pensions.

Also, a bill (H. R. 3758) granting an increase of pension to Elizabeth W. Donaldson; to the Committee on Pensions.

Also, a bill (H. R. 3759) for the relief of E. H. Jennings; to the Committee on Claims.

Also, a bill (H. R. 3760) for the relief of Capt. Arthur L. Bristol, United States Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 3761) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Hampton & Branchville Railroad Co.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 3762) to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claims of Lewis E. Magwood; to the Committee on Claims.

By Mr. McSWAIN: A bill (H. R. 3763) for the relief of William Randolph Cason; to the Committee on Claims.

By Mr. MAAS: A bill (H. R. 3764) for the relief of the heirs of Jean Baptiste Faribault and Pelagie Faribault, his wife; to the Committee on Claims.

By Mr. MARTIN of Massachusetts: A bill (H. R. 3765) for the relief of Manuel Ferreira; to the Committee on Claims.

By Mr. MITCHELL of Tennessee: A bill (H. R. 3766) for the relief of John R. Bullock; to the Committee on Claims.

By Mr. POWERS: A bill (H. R. 3767) for the relief of Agnes M. Allsop; to the Committee on Claims.

By Mr. RICH: A bill (H. R. 3768) granting an increase

of pension to Elizabeth L. Crist; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3769) granting an increase of pension to Kate L. Rodimer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3770) granting an increase of pension to Elizabeth S. Simpson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3771) granting an increase of pension to Ellen E. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3772) granting an increase of pension to Susan A. Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3773) granting an increase of pension to Mary E. Grange; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3774) granting an increase of pension to Mary Jane Sherwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3775) granting a pension to Anna L. Harman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3776) granting a pension to Lulu Maude Williams; to the Committee on Invalid Pensions.

By Mr. RICHARDS: A bill (H. R. 3777) for the relief of Herald Publishing Co.; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 3778) granting a pension to Ada Simpson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3779) for the relief of Esaw Wright; to the Committee on Military Affairs.

Also, a bill (H. R. 3780) granting a pension to Henry Hibbard; to the Committee on Pensions.

Also, a bill (H. R. 3781) granting a pension to Evaline Sammons; to the Committee on Invalid Pensions.

By Mrs. ROGERS of Massachusetts: A bill (H. R. 3782) for the relief of Ralph Adams Cram, Lydia B. Kimball, executrix under the last will and testament of Bertram G. Goodhue, deceased, and Donald G. Ferguson, administrator of the estate of Frank W. Ferguson, deceased; to the Committee on Claims.

By Mr. SMITH of Virginia: A bill (H. R. 3783) for the relief of George W. Rhine, doing business under the name of Rhine & Co.; to the Committee on Claims.

By Mr. STACK: A bill (H. R. 3784) granting a pension to Joseph A. Daily; to the Committee on Pensions.

By Mr. TURNER: A bill (H. R. 3785) for the relief of Mrs. M. L. Newton; to the Committee on Claims.

By Mr. WEARIN: A bill (H. R. 3786) for the relief of Woodworth B. Allen, captain, United States Army; to the Committee on Military Affairs.

By Mr. WHITTINGTON: A bill (H. R. 3787) for the relief of Robert D. Hutchinson; to the Committee on Military Affairs.

Also, a bill (H. R. 3788) granting a pension to Cornelia M. Campbell; to the Committee on Pensions.

Also, a bill (H. R. 3789) granting a pension to Nannie M. Buckley; to the Committee on Pensions.

By Mr. WILCOX: A bill (H. R. 3790) for the relief of Walter W. Johnston; to the Committee on War Claims.

By Mr. WOOD: A bill (H. R. 3791) granting a pension to Mary E. Burchett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3792) granting a pension to Eliza James; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3793) granting a pension to Grace L. Horn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3794) granting a pension to Levina E. Starks; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3795) granting a pension to Mary E. Nichols; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3796) granting a pension to Mary E. Hays; to the Committee on Invalid Pensions.

Also, a bill (H. R. 3797) for the relief of St. Ludgers Catholic Church, of Germantown, Henry County, Mo.; to the Committee on War Claims.

Also, a bill (H. R. 3798) granting a pension to Annie May Bartlett; to the Committee on Invalid Pensions.

By Mr. WOODRUFF: A bill (H. R. 3799) for the relief of Mrs. W. E. Bouche; to the Committee on Claims.

Also, resolution (H. Res. 43) for the relief of Delbert E. Libbey; to the Committee on Accounts.

By Mr. McLEOD: Joint resolution (H. J. Res. 76) to amend section 3 of the joint resolution entitled "Joint resolution for the purpose of promoting efficiency, for the utilization of the resources and industries of the United States, and so forth", approved February 8, 1918; to the Committee on Patents.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

86. By Mr. BOEHNE: Petition of Joseph V. Richardson, Evansville, Ind., and others, favoring legislation for the Townsend plan of old-age pensions; to the Committee on Pensions.

87. By Mr. BUCKBEE: Petition of the City Council of Rockford, Ill., asking Congress to make additional funds available for the Home Owners' Loan Corporation; to the Committee on Banking and Currency.

88. By Mr. CULKIN: Petition of the citizens of Phoenix, N. Y., favoring legislation for the Townsend plan of old-age revolving pensions; to the Committee on Labor.

89. Also, petition of the residents of Selkirk Beach, Pulaski, and vicinity in the State of New York, favoring a breakwater and harbor at the mouth of the Salmon River; to the Committee on Rivers and Harbors.

90. By Mr. DEROUEN: Petition of the Woman's Christian Temperance Union of Vinton, La., regarding submission of stop-alien representation amendment to Constitution; to the Committee on the Judiciary.

91. By Mr. GOODWIN: Memorial of the National Association of Letter Carriers, favoring repeal of the salary reduction as authorized in title II, sections 2 and 3, as amended by the Independent Offices Appropriation Act of 1935; to the Committee on Appropriations.

92. Also, petition of residents of Ulster County, N. Y., asking support of the Townsend plan for old-age pensions; to the Committee on Labor.

93. By Mr. HILDEBRANDT: Petition of Spink County Farmers Union, beseeching the Congressmen and Senators to intercede in their behalf, and urging them to do everything possible to pass a law whereby the destitute farmers may be able to obtain their seed from the Government on a plan whereby same may be returned in the fall bushel for bushel plus 10-percent increase in bushels for handling charges; to the Committee on Agriculture.

94. Also, petition urging proper representatives of all types of business enterprise to put an immediate end to the growth of Government in business; to the Committee on the Judiciary.

95. Also, petition of District No. 2, F. E. & C. U. of A., appealing to our Senators and Representatives that the Government furnish seed grain to farmers in the drought-stricken district, and this seed to be returned bushel for bushel and a small amount added to defray handling charge, therefore giving the farmer a chance to be self-sustaining; to the Committee on Agriculture.

96. Also, petition of South Dakota Bankers' Association, recommending that Congress put forth every effort to secure the necessary financing of seed for this crop; to the Committee on Agriculture.

97. Also, petition of the Farmers Elevator Association of South Dakota, urging cessation of restrictive legislation in Congress relating to the grain-marketing system; to the Committee on Agriculture.

98. Also, petition of the board of directors of the Madison Chamber of Commerce, resolving that the shelter-belt program, created by President Roosevelt, designed to grow trees over an area 100 miles wide and extending from Canada to the Gulf through this section of South Dakota, is both practical and necessary; to the Committee on Agriculture.

99. By Mr. HOOK: Letter signed by Rudolph A. Anderson, secretary of the Roosevelt Democratic Club of Ironwood, Mich., on resolution passed by that club as favoring legisla-

tion for a harbor and breakwater to be located at a suitable place on Lake Superior at the mouth of Black River or Little Girls Point, known as Ohman's Creek; to the Committee on Rivers and Harbors.

100. By Mr. HOUSTON: Petition signed by 18,827 members of the National Old-Age Pension League, Wichita, Kans., favoring a national old-age pension of \$50 per month for a single person and \$70 for man and wife after they have reached age of 50 years; to the Committee on Labor.

101. By Mr. JOHNSON of Texas: Memorial of Dr. J. B. Barnett and Black Bros., of Thornton; C. J. Bryant, of Aquilla; I. G. Nance, route 1, Thornton; Hubert M. Harrison, vice president and general manager of the East Texas Chamber of Commerce, Longview; and R. R. Black, president of the First National Bank of Thornton, all of the State of Texas, favoring legislation authorizing emergency crop loans for 1935; to the Committee on Agriculture.

102. By Mr. KENNEY: Memorial of Tan-Ta-Qua Tribe, No. 294, Improved Order of Red Men, endorsing national lottery bill; to the Committee on Ways and Means.

103. By Mr. LAMBERTSON: Resolution of the Order of Benefit Association of Railway Employees of Horton, Kans., division no. 192, urging the enactment of legislation modifying the fourth section of the Interstate Commerce Act as provided for by House bill 8100 of the Seventy-third Congress; to the Committee on Interstate and Foreign Commerce.

104. By Mr. MERRITT of New York: Resolution of Colon Council, No. 309, Knights of Columbus, of Long Island City, Long Island, N. Y., protesting against the activities of the National Revolutionary Party in Mexico, and urging the United States Congress to refrain from any intervention in support of said party, and to refrain from trade relations which are profitable to the supporters of the National Revolutionary Party, and urging tourists not to visit Mexico; to the Committee on Foreign Affairs.

105. By Mr. PFEIFER: Petition of the Maritime Association of the Port of New York, New York City, urging air-mail terminal at Bennett Field in New York City; to the Committee on the Post Office and Post Roads.

106. Also, petition of the Department of Agriculture and Immigration of the State of Louisiana, urging continuation of excise tax on foreign oil; to the Committee on Ways and Means.

107. By Mr. RUDD: Petition of Woodside Civic Association, 5601 Northern Boulevard, Woodside, Long Island, N. Y., favoring the continuation of the Home Owners' Loan Corporation and the necessary appropriations for same; to the Committee on Banking and Currency.

108. By the SPEAKER: Petition of the city of Milwaukee; to the Committee on the Post Office and Post Roads.

HOUSE OF REPRESENTATIVES

FRIDAY, JANUARY 11, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

In this sacred stillness, Heavenly Father, we would lift our eyes unto Thee. Thou hast set Thy glory above the heavens. We beseech Thee to pour into our lives a high and holy meaning; renew, unfold, and refresh them. Even in the dark hours in which reason and experience fail, we pray for Thy comforting signals. We praise Thee for the assurance that Thy mercy strengthens, Thy heart forgives, and Thy wisdom will guide us aright. Send Thy light, which strikes a crimson pathway through the ages, and bless us with that spirit of brotherhood that breathes from the heaven of the Savior of men. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Horne, its enrolling clerk, announced that the Senate had passed bills of the

following titles, in which the concurrence of the House is requested:

S. 364. An act to exempt from taxation certain property of the Daughters of Union Veterans of the Civil War in the District of Columbia;

S. 397. An act to provide for recording of deeds of trusts and mortgages secured on real estate in the District of Columbia, and for releasing thereof, and for other purposes;

S. 398. An act to amend the act entitled "An act to establish a Code of Law for the District of Columbia", approved March 3, 1901, and the acts amendatory thereof and supplemental thereto;

S. 399. An act to amend sections 416 and 417 of the Revised Statutes relating to the District of Columbia;

S. 400. An act to permit the stepchildren of certain officers and employees of the United States to be admitted to the public schools of the District of Columbia without payment of tuition;

S. 401. An act to amend the act entitled "An act to regulate the practice of the healing art to protect the public health in the District of Columbia", approved February 27, 1929;

S. 402. An act to amend section 824 of the Code of Laws for the District of Columbia;

S. 404. An act to provide for the acquisition of land in the District of Columbia in excess of that required for public projects and improvements, and for other purposes; and

S. 408. An act to promote safety on the public highways of the District of Columbia by providing for the financial responsibility of owners and operators of motor vehicles for damages caused by motor vehicles on the public highways in the District of Columbia; to prescribe penalties for the violation of the provisions of this act; and for other purposes.

ADJOURNMENT OVER

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

HOME OWNERS' LOAN CORPORATION

Mr. SWEENEY. Mr. Speaker, I ask unanimous consent that the Clerk may read a resolution I now send to the desk, that it be incorporated in the RECORD, and that it be referred to the Committee on Rules.

The SPEAKER. The gentleman from Ohio asks unanimous consent to have read the resolution which he is sending to the Clerk's desk.

Mr. SNELL. Mr. Speaker, reserving the right to object, what is the resolution?

Mr. SWEENEY. It is a resolution to investigate the Home Owners' Loan Corporation.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read as follows:

Resolved, That the Speaker of the House of Representatives be, and he is hereby, authorized to appoint a special committee to be composed of seven members for the purpose of conducting an investigation into the administration of the Home Owners' Loan Corporation to determine the cause of the unnecessary delay, irregularities, or discrimination against applicants who qualify for a mortgage loan under the terms and provisions of the act of Congress creating the Home Owners' Loan Corporation, and to further inquire into any act of misfeasance or malfeasance on the part of any official, employee, or agency of the Home Owners' Loan Corporation.

That said special committee, or any subcommittee thereof, is hereby authorized to sit and act during the present Congress at such times and places within the United States, whether or not the House is sitting, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such books, papers, and documents, by subpoena or otherwise, and to take such testimony as it deems necessary. Subpoenas shall be issued under the signature of the chairman and shall be served by any person designated by him. The chairman of the committee or any member thereof may administer oaths to witnesses. Every person who, having been summoned as a witness,